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Maintaining the Empire:

Diplomacy and Education in U.S.-Ecuadorian Relations, 1933-1963

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Maintaining the Empire:

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by

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(1942-1992)

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Maintaining the Empire:

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Historians today continue to explore the maintenance of the U.S. Empire in the Third World. Some argue that coercion was the driving force. Others suggest that consent played a role. Settling this debate is difficult given the unbalanced state of the historiography, which is overloaded with analyses of interventions.

Analyzing U.S.-Ecuadorian relations offers an instructive addition to the literature. Negotiation and compromise, not coercion, were central to these interactions. The Ecuadorians who shaped these relations the most typically shared some core assumptions with their U.S. counterparts. Policymakers in Washington therefore developed educational exchange programs to expand this pool of pro-U.S. Latin Americans. Using documents from archives in the United States and Ecuador, this study explores how policymakers used diplomacy and education to maintain the U.S. Empire in the Third World from 1933 to 1963.

This process began with the Roosevelt Administration's Good Neighbor Policy. Ecuadorian threats to nationalize U.S. businesses operating in Ecuador, however, challenged the rhetoric of cooperation championed by Roosevelt. The Japanese attack on

Pearl Harbor halted these challenges. Two days after the attack, policymakers in Washington accepted Ecuadorian offers to establish bases in Ecuador. This marked the solidification of hemispheric solidarity, and a more robust U.S. hegemony in Latin America.

A growing number of Ecuadorian students and intellectuals studying in the United States under scholarships awarded by their government strengthened this solidarity. The U.S. government soon began funding both these exchanges as well as American Schools throughout Latin America in the hopes of maintaining this unity in the future.

Beginning in 1950, disputes over fisheries threatened the wartime cohesion. Ecuador attempted to force Washington to accept a 200-mile limit on territorial waters. Negotiations failed to resolve the issue. The discontent evident throughout Latin America continued to build, until, in 1962, President John F. Kennedy discovered that the government of Ecuador would not support his administration's plan to exclude Cuba from the Organization of American States. Despite these setbacks, policymakers continued to promote educational exchange through the Foreign Leader Program and the Fulbright Program. They hoped above all else to expand consent to U.S. hegemony.

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Introduction

On 12 December 1941, thirty-five U.S. Marines arrived in Ecuador to establish military bases on Seymour Island in the Galápagos and in the coastal town of Salinas.[1] Japan had recently bombed Pearl Harbor, and policymakers in Washington wanted these bases to defend the Panama Canal from Japanese attack. This was not the first time that the U.S. military had landed on foreign shores in the name of security. In Latin America alone, such invasions had occurred in Cuba, Mexico, Guatemala, and Honduras, to name a few, as far back as the 1890s. The arrival of the Marines on Ecuadorian territory in 1941, however, was different. Unlike previous episodes when the Marines were used to enforce the will of Washington and protect the interests of Wall Street, this time the U.S. soldiers had been invited by the democratically elected president of Ecuador, Alberto Arroyo del Rio. This was the era of the Good Neighbor Policy when the United States promised to cooperate with the nations of Latin America instead of interfering in their domestic affairs. The success of this new model of inter-American solidarity depended on the support of pro-U.S. elites in Ecuador and elsewhere.

One of these elites, Galo Plaza Lasso, had a long history of supporting the United States. After studying at the University of Maryland, Berkeley, and Georgetown, Galo Plaza served as an assistant at the Ecuadorian embassy in Washington during the late 1920s, and later as the Ecuadorian ambassador to Washington. Two years before the

[1] Jorge W. Villacres Moscoso, *Historia Diplomatica de la Republica del Ecuador*, tercer tomo (Guayaquil, Ecuador: EQ. Editorial, 1989), 269.

attack on Pearl Harbor, Galo Plaza, who was then Minister of National Defense, offered the use of the Galápagos to President Franklin Roosevelt because he recognized the strategic value of the islands, and he wanted to help the United States protect shipping approaches to the Panama Canal. As president of Ecuador from 1948 to 1952, Galo Plaza also strengthened U.S.-Ecuadorian economic relations by opening national territory to banana production by the United Fruit Company. Throughout his political career, Galo Plaza evinced a pro-U.S. attitude that helped him maintain strong U.S.-Ecuadorian relations.

Yet despite his pro-U.S. credentials, toward the end of his administration Galo Plaza reformed Ecuadorian fishing regulations in ways that led directly to the detaining and fining of U.S. fishing vessels operating off the coast of Ecuador. These actions, especially the shooting of a U.S. fisherman by an Ecuadorian serviceman, sparked outrage among California fishing companies. Company owners urged their union leaders to pressure their congressmen to force the State Department to intervene. The strength of U.S.-Ecuadorian relations seemed to be at risk, in part due to the Presidential Decrees of Galo Plaza.

What had happened? Had Galo Plaza and other pro-U.S. elites within his administration stopped supporting the United States? Were the tensions in U.S.-Ecuadorian relations over territorial waters an isolated episode, or was there a broader, global context? Put simply, no, Galo Plaza had not suddenly turned against the United States; nor was the debate over fishing and territorial waters an isolated episode limited to bilateral relations between the United States and Ecuador. Instead, the invitation to

establish U.S. military bases on Ecuadorian territory, the dispute over territorial waters, and other episodes in U.S.-Ecuadorian relations explored in this dissertation, reflect in microcosm the ever-shifting nature of the U.S. Empire in the Third World[2]—an empire maintained less through coercion and intervention, and more through cooperation with local elites.

This project rests on Antonio Gramsci's concept of consensual hegemony, and the application of that concept to the field of International Relations Theory by scholars such as political scientist Robert W. Cox.[3] A hegemonic state, according to Gramsci, maintains dominance through coercion when needed, but also through the consent of the population to its leaders. In such cases, the ruling elites (represented in this dissertation by the political, economic and military leaders who were most influential in shaping U.S.-Ecuadorian relations) preserve their position of dominance by propagating a common culture through education, the press, and other institutions of civil society. In order for a nation to establish and maintain hegemony within the international system, according to Cox, that state would have to promote a world-order which most other states found compatible with their own interests—to do otherwise would risk overextension through

[2] The term "Third World" is problematic. Created during the Cold War to describe those nations that were not aligned with either the United States (the First World) or the Soviet Union (the Second World), the term soon took on several broader meanings. Third-World nations have been described as undeveloped, or underdeveloped, or least developed, among other labels. The unifying feature of each of these labels is the implication that Third World nations lag behind their modern counterparts in the first and second worlds. While this assumption raises several problems, the label "Third World" has survived in the literature on U.S. foreign relations and with the policymakers who are the subjects of this literature. Therefore, in this dissertation "Third World" will be used primarily for convenience sake, while keeping in mind all of the caveats mentioned above.

[3]See especially, Robert W. Cox, "Gramsci, Hegemony and International Relations: An Essay in Method," *Millennium Journal of International Studies* 12, no. 2 (Summer 1983):162-175. Also, David Forgacs (ed.), *The Antonio Gramsci Reader: Selected Writings, 1916-1935,* (New York: New York University Press, 2000).

endless military engagements to quell rebellions.[4] This international hegemony would necessarily reflect the domestic hegemony of the elites within the hegemon, since they are the ones who are most responsible for formulating and implementing the foreign policies of their government. This ordering of the international system, therefore, would necessarily rest on a specific economic system that supported elites within the hegemonic nation.

As the present dissertation will show, policymakers established U.S. hegemony established by the end of World War Two, and maintained it throughout the Cold War, by promoting a world-capitalist system. This system was based on, and designed to protect, a U.S. model of capitalism that advocated free trade and open access to markets. Through diplomatic negotiations over economic and security concerns affecting participating nations, and the exchange of ideas, techniques, and methods needed to operate in this system facilitated by U.S.-government financed educational exchange programs, U.S. elites and pro-U.S. elites throughout the world established a common culture of U.S.-styled capitalism that served to maintain U.S. hegemony.

Recently there has been a revival of studies of the U.S. Empire, especially with regard to U.S.-Third World relations. Questions concerning the nature of the relationship between the United States and the nations of the world lie at the heart of this debate. Was the United States an imperial power, or a hegemon?[5] Scholars on both sides of the debate

[4] Cox, 171.
[5] See for example: Alan Knight, "Empire, Hegemony and Globalization in the Americas," *NACLA Report on the Americas,* 39, no. 2 (Sep./Oct. 2005): 8-44.; Greg Grandin, *Empire's Workshop: Latin America, the United States, and the Rise of the New Imperialism,* (New York: Henry Holt and Company, 2006) Grandin's opening excerpt from Mary Shelley's *Frankenstein* meant to imply a direct comparison between

agree that since the end of World War Two, the United States has exercised dominance on the international stage. Explanations for how the U.S. government maintained this dominance, however, continue to divide historians. Those scholars who argue that the United States created an empire insist that U.S. officials have more often than not relied on coercion and force, since through violence and intervention imperial states impose their dominance on colonial states. Maintaining that dominance requires continued coercion.[6] While scholars who describe U.S. dominance as hegemonic rather than imperial do not deny that U.S. officials have used coercion, they argue that consent to U.S. policies has also played a significant role in maintaining U.S. influence.[7] As historian Michael Hunt explains, a hegemon maintains its power through "the broad and

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Dr. Frankenstein's monster and U.S. foreign policy clearly reveals his position in the debate over empire. For a more nuanced discussion of the role of dissent in U.S.-Latin American relations see, Fred Rosen, ed., *Empire and Dissent: The United States and Latin America*, (Duke: Duke, U.P., 2008). For a recent discussion from the U.S. as hegemon camp, see Michael Hunt, *The American Ascendancy: How the United States Gained and Wielded Global Dominance* (Chapel Hill: University of North Carolina Press, 2007) which in turn sparked a lively online debate over the nature of U.S. dominance which can be found at, H-Diplo Rountable Review of Michael H. Hunt, *The American Ascendancy: How the United States Gained and Wielded Global Dominance*, by Thomas Maddux, Andrew Bacevich, Alfred E. Eckes, Stephen Rabe, and Thomas Zeiler. Volume VIII, No. 17 (2007), published 10 December 2007. http://www.h-net.org/~diplo/roundtables/#8.17. Following the events of September 11, 2001, the popular press has also focused renewed attention on the issue of U.S. Empire. See for example, Michael Ignatieff, "The American Empire; The Burden," *The New York Times Magazine*, January 5, 2003, 22. Or, more recently, Parag Khanna, "Waving Goodbye to Hegemony," *New York Times Magazine*, January 27, 2008, 34.

[6] See for example: Greg Grandin, *The Last Colonial Massacre: Latin America in the Cold War*, (Chicago: The University of Chicago Press, 2004); or, Lars Schoultz, *Beneath the United States: A History of U.S. Policy Toward Latin America*, (Cambridge: Harvard U.P., 1998). For a recent discussion of the characteristics of the differences between empire and hegemony see: Michael Hunt, "Empire, Hegemony, and the U.S. Policy Mess," posted to HNN, 21 May 2007 (available at http://www.hnn.us/articles/37486.html).

[7] In addition to Michael Hunt's recent work referenced above, see: Thomas J. McCormick, *America's Half-Century: United States Foreign Policy in the Cold War and After*, (Baltimore: The Johns Hopkins U.P., 1995); also, Thomas J. McCormick, "'Every System Needs a Center Sometime' An Essay on Hegemony and Modern American Foreign Policy," in *Redefinig the Past: Essays in Diplomatic History in Honor of William Appleman Williams*, Lloyd C. Gardner (ed.), (Corvalis: Oregon State U.P., 1986), 197-254; and, Robert O. Keohane, *After Hegemony: Cooperation and Discord in the World Political Economy*, (Princeton: Princeton U.P., 1986).

subtle penetration of economic and cultural practices and products across entire regions," a process that is aided by the "self-conscious promotion of trans-national norms and institutions rather then [sic] the creation of specific subordinate colonial or client regimes."[8] Following the lead of Hunt and others, the present study argues that through hegemony policymakers maintained the U.S. Empire in the Third World.

This project does not focus on distinctions between "empire" and "hegemony" as endpoints. Instead, the following chapters detail the processes through which policymakers established and maintained U.S. influence in the Third World. The maintenance of U.S. dominance in Ecuador was hegemonic. Never did the United States employ the level of coercion ascribed above to empires when seeking to protect U.S. interests in Ecuador. Policymakers relied instead on negotiations and educational exchange programs to promote the adoption of the "trans-national norms" of free-market capitalism. This dissertation also suggests that current scholarship on the U.S. Empire has obscured our understanding of the U.S. relationship to the nations of the world, particularly those of the Third World, by focusing primarily on exceptional cases. Especially in studies of U.S.-Latin American relations, scholars have focused more on interventions, coups, and military dictatorships than on cases where negotiation and compromise have helped to limit such actions. In order to understand the complex nature

[8] Michael Hunt, "Empire, Hegemony, and the U.S. Policy Mess," posted to HNN, 21 May 2007 (available at http://www.hnn.us/articles/37486.html).

of the U.S. Empire, scholars need to examine more closely the routine relations that theoretically constitute the majority of U.S. foreign relations.[9]

Relations between Ecuador and the United States from 1933 to 1963 provide an illustrative example of routine relations. While elites in both countries did not always agree, never did the United States use the interventions that mark a breakdown in diplomacy, and that have attracted the greatest attention from scholars. Only by expanding our historical inquiries to include routine relations can we discover whether the consensual hegemony that defined U.S.-Ecuadorian relations was also characteristic of relations between the United States and other nations of the Third World.

This project explores key episodes of diplomacy when policymakers from Ecuador and the United States negotiated strategic and economic policies designed to maintain the world capitalist system supporting the U.S. Empire. As architects of their nation's foreign policies, policymakers from the United States and Ecuador represented the interests of a variety of elites—economic, political, and military leaders—from their own countries. While this study therefore focuses almost solely on policymakers and their actions, throughout the negotiations explored herein, officials from the Department of State and the Foreign Ministry often brought in elites from outside the government as advisers. At times these elites even participated in diplomatic negotiations as special envoys of their government. Yet throughout this project, the use of "Ecuadorian elites"

[9] Political scientist Abraham Lowenthal used the phrase "routine relations" in a 1974 report to the Murphy Commission to differentiate between what he said diplomats actually did "most of the time," and the exceptional cases that tended to attract most of the attention. Abraham F. Lowenthal, "The Making of U.S. Policies Toward Latin America: The Conduct of 'Routine' Relations," in *Appendices,* vol. 3 of *Commission on the Organization of the Government for the Conduct of Foreign Policy,* (Washington, D.C.: U.S. Government Printing Office, 1975), 203-204.

and "U.S. elites" does not suggest that there was always unity within either of these groups. Elites in Ecuador, for example, have been historically divided geographically between the coast (Guayaquil), and the highlands (Quito). Elites from the highlands have traditionally controlled the national government, while those from the coast have generally exerted the most economic influence. Disagreements between these two groups often affected the formation of Ecuadorian foreign policy. In the United States, disagreements among congressional representatives, State Department officials, and business elites have similarly shaped policymaking.

The diplomacy chapters illuminate the coercion and consent involved in these diplomatic negotiations. Galo Plaza was not the only influential pro-U.S. elite in Ecuador. Rather, he was part of a heterogeneous collection of influential Ecuadorians who believed in many of the core economic and strategic values that underlay much of U.S. foreign policy with the nations of the Third World. This means neither that he and other pro-U.S. Ecuadorians always agreed with their Washington counterparts, nor that they were always successful in using their pro-U.S. stance to the advantage of Ecuador. But, simply put, those Ecuadorian elites who supported the United States were generally more successful in securing gains for Ecuador than were their anti-U.S. compatriots—whether that meant bringing in U.S. businesses, investments and experts, or limiting these influences.

The existing scholarship has gone a long way in explaining the coercion used at times to maintain the U.S. Empire. This study presents a significant addition to the literature by examining consent. In so doing, this dissertation moves beyond diplomacy to

explore the role of educational exchange programs in supporting the U.S. Empire. These exchange programs operated as one significant site among many of cultural interactions between citizens of the United States and the peoples of the world.[10]

The connection between education and diplomacy detailed in this dissertation builds on the work of Mark T. Berger, especially his *Under Northern Eyes: Latin American Studies and U.S. Hegemony in the Americas, 1898-1990.*[11] Berger links the knowledge-power discourse evident in the development of the academic field of Latin American Studies in the United States with the establishment of U.S. dominance in Latin America. He reveals how the assumptions of influential scholars, particularly their belief in the positive, modernizing effects of the U.S. system and way of life, were used by officials in Washington to justify the exploitation of Latin American governments and peoples. Berger's analysis serves as a jumping off point for the present study, which illuminates similar linkages between education and diplomacy while arguing that U.S. dominance after World War Two was maintained more through consensual hegemony than, as Berger implies, through coercion.

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[10] Educational exchange programs were part of a broader collection of cultural programs labeled by historian Kenneth Osgood and others as "cultural diplomacy." In his analysis of the use of cultural diplomacy by officials within the Eisenhower Administration, Osgood argues that cultural diplomacy differed from propaganda and psychological warfare as it was "less involved in the favorable 'spinning' of contemporary affairs than in fostering long-term intellectual and attitudinal developments that would enhance U.S. influence and prestige while creating a positive climate for the implementation of U.S. foreign policies." This description neatly summarizes the fundamental goal of the educational exchange programs examined in this dissertation. Kenneth A. Osgood, "Words and Deeds: Race, Colonialism, and Eisenhower's Propaganda War in the Third World," in *The Eisenhower Administration, The Third World, and the Globalization of the Cold War*, eds. Kathryn C. Statler and Andrew L. Johns (Lanham: Rowman and Littlefield Publishers, INC., 2006), 16.

[11] Mark T. Berger, *Under Northern Eyes: Latin American Studies and U.S. Hegemony in the Americas, 1898-1990,* (Bloomington: Indiana U.P., 1995). See also, Mark T. Berger, "Managing Latin America: U.S. Power, North American Knowledge and the Cold War," http://www.ailasa.org/jilas/articles/berger.pdf.

This dissertation also relies on the work of scholar Christina Klein, particularly her concept of sentimental education developed in *Cold War Orientalism: Asia in the Middlebrow Imagination, 1945-1961*.[12] Through her examination of formal and informal modes of education, Klein shows how U.S. officials prepared U.S. citizens to operate in the bipolar world of the Cold War. The present study extends Klein's argument by showing how policymakers brought Ecuadorians to the United States in the hopes of generating and exporting a similar consensus concerning the bipolar worldviews promoted by Washington—first the anti-fascism of World War Two, and then the anti-communism of the Cold War.

Developers of the U.S. government-sponsored educational exchange programs between the United States and Ecuador had one central goal; to expand the consent of influential Ecuadorians and their children, who were the future leaders of Ecuador, to U.S. policies. By offering them education and training in U.S. and U.S.-styled institutions, policymakers hoped to enable select Ecuadorians to operate more fully within the global economic system promoted by Washington, while simultaneously generating consent to this system. Of course they rarely stated this goal overtly. Policymakers instead used less propagandistic language, such as "mutual understanding" or "intellectual cooperation," when discussing the goals of these programs. Analyzing the actions beyond the rhetoric reveals that a common component of all of the exchange programs was the desire to generate greater consent to U.S. policies. These stories of

[12] Christina Klein, *Cold War Orientalism; Asia in the Middlebrow Imagination, 1945-1961,* (Berkeley: University of California Press, 2003).

diplomacy and education operated in tandem as elites in Washington and Quito adjusted to a world that changed significantly from 1933 to 1963.

Early scholarship on U.S.-Latin American relations written during the 1920s and 1930s rested on the assumption of a compatibility of interests between the nations of the hemisphere.[13] Historians such as Samuel Flagg Bemis and Dexter Perkins portrayed U.S. intervention in Latin America as unquestionably beneficial to Latin Americans. Their scholarship reflected U.S.-centric and exceptionalist points of view, and thus on the rare occasions when they referred to the United States as an empire, orthodox historians typically described that empire as benevolent or benign. How could it be otherwise if the nations of the Western Hemisphere shared common interests? This is not to argue that Bemis, Perkins and other early scholars of U.S.-Latin American relations were entirely wrong in assuming that the peoples of the Americas shared common interests. Suggesting otherwise, in fact, creates an artificial dichotomy between "American" and "Latin American" that can be equally damaging to our understanding of U.S.-Latin American relations. What is problematic is the assumption of these early scholars that the United States—including the ideas, institutions, and practices developed therein—was the natural and inherently benevolent leader of the Americas. A new wave of Revisionist scholars soon targeted these assumptions in their writings.

[13] For the orthodox perspective on U.S.-Latin American relations see: Samuel Flagg Bemis, *The Latin-American Policy of the United States,* (New York: Norton, 1943); William Spence Robertson's *Hispanic-American Relations With the United States,* (New York: Oxford University Press, 1923); Dexter Perkins, *The Monroe Doctrine, 1823-1826,* (Cambridge: Harvard U.P., 1927), Perkins *The Monroe Doctrine, 1867-1907,* (Baltimore: Johns Hopkins Press, 1937).

Following World War Two, policymakers in the United States drew on the lessons that they had learned formulating U.S.-Latin American policies as they began to establish diplomatic relations with newly independent Third World nations in Africa, Asia, and the Middle East. As policymakers expanded their scope to include these regions outside of the Western Hemisphere, so too did historians who, beginning in the late 1950s, began to revise the arguments of previous scholars. Following the lead of William Appleman Williams, historians worked to expose the contradictions, or tragedies, of American foreign policies that orthodox historians had ignored. Not surprisingly, much of this scholarship focused on relations between the United States and the nations of the Third World, where these contradictions were the most glaring since few of these nations could generate the military or economic challenges that orthodox historians argued were driving U.S. foreign policy.[14] Revisionists argued above all else that U.S. policymakers worked to protect and promote specific domestic interests—particularly economic interests.[15] They revealed, for example, how interest groups within the United States could shape foreign policies in ways that furthered their own economic success.[16] Illuminating the connections between domestic economic concerns and U.S.

[14] In the present study, then, "U.S.-Third World relations" and "U.S. Empire in the Third World" are used interchangeably since most scholarship written after the orthodox phase tends to take for granted that the U.S., following 1947 at least, had established an Empire throughout most of the Third World.
[15] William Appleman Williams, *The Tragedy of American Diplomacy,* (New York: W.W. Norton and Co., 1959) provides the best starting point for any examination of the revisionist perspective on U.S. diplomatic history. For the revisionist literature on U.S.-Third World relations see: Gabriel Kolko *Confronting the Third World: United States Foreign Policy, 1945-1980,* (New York, 1988); For the literature on U.S.-Latin American relations, see David Green *The Containment of Latin America, A History of the Myths and Realities of the Good Neighbor Policy,* (Chicago: Quadrangle Books, 1971);
[16] Historian David Green's, *The Containment of Latin America: A History of the Myths and Realities of the Good Neighbor Policy,* for example, revealed how President Roosevelt used U.S. tariff levels as a

foreign policy, revisionist scholars left an indelible mark on the historiography of U.S.-Third World relations. Their depiction of a predatory capitalism orchestrated by elites in Washington reinvigorated discussions of the United States as imperial.[17] Yet just as revisionist historians built their careers on challenging the assumptions of orthodox historians, a new wave of scholars began in the 1980s to question the conclusions of the revisionists.[18]

Suggesting that the revisionists had strayed too close to economic determinism in their analyses, historians began to combine the orthodox and revisionist focus on security and economics, while also revealing the ways in which other factors, such as domestic

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bargaining tool when negotiating with Latin American officials in order to ensure that economic development in the region followed the model championed by the United States.

[17] In the field of U.S.-Latin American relations, this trend was marked by the growth of dependency literature as scholars from Latin America attempted to explain the relationship between their nations and the United States with regards to the world capitalist system. See for example, Fernando Hernrique Cardoso and Enzo Faletto, *Dependency and Development in Latin America*, (Berkeley: University of California Press, 1979); José M. Aybar de Soto, *Dependency and Intervention: The Case of Guatemala in 1954,* (Boulder, Colorado, 1978); Susanne Bodenheimer, "Dependency and Imperialism: The Roots of Latin American Underdevelopment," *Politics and Society*, I (1971); Richard R. Fagen, "Studying Latin American Politics: Some Implications of a Dependence Approach," *Latin American Research Review,* XII (1977), 3-26; and, Andre Gunder Frank, *Capitalism and Underdevelopment in Latin America: Historical Studies of Chile and Brazil*, (1967; reprint, New York: Monthly Review Press, 2009).

[18] Post-revisionist scholarship covers a lot of ground, with some historians exploring economics, some strategy and some culture. For post-revisionist studies of U.S. -Latin American relations see: Elizabeth A. Cobbs, *The Rich Neighbor Policy*, (New Haven: Yale University Press, 1992); A highly influential work that attempts to blend the economic with the cultural in analyzing U.S.-Latin American relations is, Emily S. Rosenberg, *Spreading the American Dream: American Economic and Cultural Expansion 1890-1945*, (New York: Hill and Wang, 1982). Also, Michael E. Latham, *Modernization as Ideology: American Social Science and "Nation Building" in the Kennedy Era,* (Chapel Hill: University of North Carolina Press, 2000). For a groundbreaking work on culture in U.S.-Third World relations, see Amy Kaplan and Donald E. Pease (eds.), *Cultures of United States Imperialism*, (Durham: Duke University Press, 1993); For a cultural perspective on U.S.-Latin American relations see: Gilbert M. Joseph, Catherine C. Legrand and Recardo D. Salvatore (eds), *Close Encounters of Empire: Writing the Cultural History of U.S.-Latin American Relations*, (Durham: Duke University Press, 1998); for a view from Latin America see Ricardo D. Salvatore, *Imágenes de un Imperio: Estadus Unidos y las formas de representación de América Latina*, (Buenos Aires: Editorial Sudamericana, 2006). Lars Schoultz, *Beneath the United States: A History of U.S. Policy Toward Latin America*, (Cambridge, MA: Harvard UP, 1998) provides an instructive post-revisionist analysis of the negative stereotypes of Latin America and Latin Americans held by U.S. foreign policy makers and the U.S. public in general that, according to Schoultz, influenced U.S. policy in the region.

politics and bureaucratic structures, influenced policymakers. Post-revisionists have explored the variety of ways beyond military force and economic might that the United States projected power. In so doing they have challenged revisionist portrayals of the United States as an imperial power simply imposing its will on others.[19] Often, as these scholars have shown us, foreign elites invite the United States in. In a more recent cultural turn in the literature, historians of U.S.-Third World relations have borrowed from the field of critical theory to illuminate the seemingly countless ways in which cultural ideas, and material representations of these ideas, have influenced the interactions among the peoples of the world.[20] This scholarship challenges historians to analyze critically the broader context within which policymakers operate; to look beyond the elites who formulated policy to the people whose lives it most affected.[21]

As a whole, the scholarship on U.S.-Third World relations has deepened our understanding of the official and extra-official interactions among these nations.

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[19] See: Geir Lundestad, *America, Scanidinavia, and the Cold War, 1945-1949*, (New York: Columbia U.P., 1980); and Bruce Kuniholm *The Origins of the Cold War in the Near East: Great Power Conflict and Diplomacy in Iran, Turkey and Greece,* (Princeton: Princeton U.P., 1980).

[20] For an early and influential discussion of the role of ideas in the making of U.S. foreign policy, see Frank A. Ninkovich, *The Diplomacy of Ideas: U.S. Foreign Policy and Cultural Relations, 1938-1950,* (Cambridge: Cambridge U.P., 1981); also, Michael H. Hunt, *Ideology and U.S. Foreign Policy,* (New Haven: Yale U.P., 1987). For a discussion that refines the broad concept of ideology while simultaneously moving beyond the focus on U.S. ideology see, Andrew J. Rotter, *Comrades at Odds The United States and India, 1947-1964,* (Ithaca: Cornell U.P., 2000). For a convincing analysis of the connection between the gendered ideologies of the Kennedy Administration and policymaking see, Robert D. Dean, *Imperial Brotherhood: Gender and the Making of Cold War Foreign Policy,* (Amherst: University of Massachusetts Press, 2001). For a focus that moves beyond that of elite policymakers see, Christina Klein, *Cold War Orientalism: Asia in the Middlebrow Imagination, 1945-1961,* (Berkeley: University of California Press, 2003); For two recent studies of U.S.-Latin American relations see Julio Moreno, *Yankee Don't Go Home!: Mexican Nationalism, American Business Culture, and the Shaping of Modern Mexico, 1920-1950,* (Chapel Hill: The University of North Carolina Press, 2003); and Gilbert M. Joseph and Daniela Spenser, (eds.) *In From the Cold: Latin America's New Encounter with the Cold War,* (Durham: Duke U.P., 2008).

[21] For a recent example of scholarship that seeks to explain how ordinary citizens in Latin America experienced the Cold War, see: Gilbert M. Joseph and Daniela Spenser (eds.), *In From The Cold: Latin America's New Encounter with the Cold War,* (Durham: Duke U.P., 2008).

Ultimately, however, scholars have marked this historiography with two general tendencies that have obscured our understanding of these relations, thus leaving room for further analysis. First, there has been an over-emphasis on exceptional cases. Scholars have revealed a number of instances when officials in the United States used interventions—whether covert or overt, diplomatic, military, economic or cultural—to protect the interests of influential, though relatively small, segments of U.S. society.[22] Historians have also detailed the U.S. support of nefarious dictators throughout the Third World who promised to promote U.S. interests within their countries in return for this support.[23] Taken together, this literature has taught readers valuable lessons about the contradictions of U.S. foreign policies by presenting a number of cautionary tales concerning the destructive and violent lengths to which U.S. policymakers have gone. This is especially true in the case of U.S.-Third World relations where the majority of these interventions have occurred.[24]

Despite these critical observations, however, this literature tends to obscure our understanding of the nature of the U.S. Empire in the Third World by ignoring the many cases where diplomacy and negotiations have managed to avoid such extreme and

[22] In addition to many of the works already mentioned here, see for example: Richard J. Barnet, *Intervention and Revolution: The United States in the Third World,* (New York: New American Library, 1972); Richard H. Immerman, *The CIA in Guatemala: The Foreign Policy of Intervention,* (Austin, University of Texas Press, 1982); William M. LeoGrande, *Our Own Backyard: The United States in Central America, 1977-1992,* (Chapel Hill: University of North Carolina Press, 1998).
[23] For a general overview see, David F. Schmitz, *Thank God They're on Our Side: The United States and Right-Wing Dictatorships, 1921-1965,* (Chapel Hill: The University of North Carolina Press, 1999). For a study specific to U.S.-Latin American relations see, Eric Paul Roorda, *The Dictator Next Door: The Good Neighbor Policy and the Trujillo Regime in the Dominican Republic, 1930-1945,* (Durham: Duke U.P., 1998).
[24] David S. Painter, "Explaining U.S. Relations with the Third Word," *Diplomatic History* 19, no. 3 (1995): 525-548.

destructive actions. Since, as historian Louis Pérez has argued, "military action typically denotes the breakdown of the hegemonial edifice," only by analyzing the more routine work involved in the maintenance of the U.S. Empire can we understand the complexities of the hegemonic process that supported this empire.[25] By focusing instead on exceptional cases, historians have tended to exaggerate the coercive power and will of the United States.[26] This is not to deny that U.S. policymakers have used coercion in irresponsible ways that destroyed lives and undermined the basic principles that the United States claims to promote, or that cruel and corrupt dictators have relied on U.S. support to maintain their power. But as scholars we should question whether or not these cases represent the norm, or whether they are exceptional—a difficult question to answer given the current state of the literature. As Abraham Lowenthal has argued, in order to understand the development and implementation of U.S. policy, scholars need to explore, "what most U.S. government officials actually do most of the time."[27] Shifting our focus from the dramatic cases of interventions, coups, and dictatorships illuminates the daily operations that maintained the U.S. Empire.

Second, historians of the U.S. Empire in the Third World have paid too little attention to the actions of non-U.S. policymakers.[28] This tendency derives at least in part

[25] Louis A. Pérez, Jr. "Intervention, Hegemony, and Dependency: The United States in the Circum-Caribbean, 1898–1980." *Pacific Historical Review* 51 (May 1982): 181

[26] Thomas J. McCormick, "Something Old, Something New: John Lewis Gadis's 'New Conceptual Approaches,'" *Diplomatic History* 14 (Summer 1990).

[27] Abraham F. Lowenthal, "The Making of U.S. Policies Toward Latin America: The Conduct of 'Routine' Relations," in *Appendices*, vol. 3 of *Commission on the Organization of the Government for the Conduct of Foreign Policy*, (Washington, D.C.: U.S. Government Printing Office, 1975), 203.

[28] There are notable exceptions to this rule, including the work by Eric Paul Roorda already mentioned here. See also, Piero Gleijeses, *Conflicting Missions: Havana, Washington and Africa, 1959-1976*, (Chapel Hill: The University of North Carolina Press, 2002).

from the consistent focus on exceptional cases discussed above. Scholars who focus on these cases tend to portray elites in the Third World as having only two alternatives from which to choose as they negotiate with U.S. policymakers; either "radical revolution" against the capitalist system, or "abject capitulation" to that system.[29] This simplification ignores the influence of U.S. ideologies that appeal to foreign elites and populations whose own beliefs fall somewhere within the spectrum bounded by revolution against the capitalist system on one end, and surrender to that system on the other end. By focusing their attention almost exclusively on exceptional cases, historians have effectively diminished the active roles played by foreign elites in consenting to, and at times shaping, U.S. policies. We know a good deal about the dramatic, radical revolutions of Third World actors, yet simply assuming that those who have not resisted have instead surrendered denies these individuals the same agency that scholars attribute to the radicals and their acts. One way to correct this oversight is to analyze the decision making of Third World elites as they, through bilateral and multilateral negotiations with policymakers from the United States and the nations of the world, attempted to maximize benefits for their own country.

Since the 1980s, historians have begun to use documents from foreign archives to show how foreign elites have shaped U.S. policies. Geir Lundestad's essay "Empire by

[29] This point was raised by Thomas McCormick in, "Something Old, Something New: John Lewis Gaddis's 'New Conceptual Approaches'," *Diplomatic History,* 14:3 (July 1990), 427. McCormick was responding to Gaddis's, "New Conceptual Approaches to the Study of American Foreign Relations: Interdisciplinary Perspectives," which appeared in the same issue of *Diplomatic History.* In the field of U.S.-Latin American history, see also Louis Pérez's "Intervention, Hegemony, and Dependency: The United States in the Circum-Caribbean, 1898-1980" *Pacific Historical Review* 51 (May 1982): 165-94. By focusing solely on interventions, Pérez downplays the decision making of Latin American elites, suggesting that they were either ruthless dictators or co-opted officials.

Invitation? The United States and Western Europe, 1945-1992" is an early, and influential, example of this trend in the literature.[30] Lundestad revealed the degree to which decision makers from Western Europe influenced the formation of U.S. foreign policies.[31] He carefully pointed out that the imbalance of power between the U.S. and European governments following the end of World War Two meant that the Europeans in no way forced policy makers in Washington to do things that they did not want to do. European elites instead, Lundestad argued, "helped shape developments in Washington"—especially concerning programs to rebuild the economies and ensure the security of Western Europe.[32] Scholars of U.S.-Third World relations have begun to follow Lundestad's lead, particularly his observation that foreign elites could shape U.S. policies without necessarily forcing wholesale changes in those policies.[33] These studies have complicated our understanding of the U.S. Empire in the Third World by revealing the influence that foreign elites have had on the formation of U.S. foreign policy. Yet the preponderance of exceptional cases remains, and as a result, we still know comparatively

[30] Geir Lundestad, "Empire by Invitation? The United States and Western Europe, 1945-1992" *Journal of Peace Research,* 23 (September, 1986), 263-77.
[31] See also: Mary Ann Heiss's *Empire and Nationhood: The United States, Great Britain, and Iranian Oil, 1950-1954,* (New York: Columbia University Press, 1997); and, Mark Atwood Lawrence, *Assuming the Burden: Europe and the American Commitment to War in Vietnam,* (Berkeley: The University of California, 2005).
[32] Lundestad, 272.
[33] See, for example, Zachary Karabell, *Architects of Intervention: The United States, the Third World, and the Cold War, 1946-1962*, (Baton Rouge: Louisiana State UP, 1999), 4. Karabell shows how the Shah of Iran used successive U.S. administrations to create himself, thus challenging earlier portrayals of the Shah as simply a puppet of Washington. In the field of U.S.-Latin American relations, see, Eric Paul Roorda, *The Dictator Next Door: The Good Neighbor Policy and the Trujillo Regime in the Dominican Republic, 1930-1945,* (Durham: Duke University Press, 1998). Roorda examines how the dictator Rafael Trujillo was able to use his ties with top military officials in the United States to maintain U.S. economic support while simultaneously ruling his country with an iron fist.

little about the actions of democratically-elected Third World elites who believed in the basic tenets of the capitalist system that supported the U.S. Empire.

Perhaps unsurprising given the current state of the literature detailed above, the historiography of U.S.-Ecuadorian relations is underdeveloped. Until recently, the few historians who have written on the subject tended to take a regional approach, and to rely primarily on U.S. documents and secondary sources.[34] Historian Ronn Pineo's *Ecuador and the United States: Useful Strangers* is a notable, recent exception to this rule.[35] Pineo skillfully traces the history of U.S.-Ecuadorian relations from the 1830s through the 1980s, as he analyzes several episodes when Ecuadorian elites successfully shaped U.S. policy. Yet while Pineo spends considerable time exploring the actions of pro-U.S. elites in Ecuador, he focuses less on how these elites came to support the United States in the first place. By analyzing educational exchange programs in addition to diplomacy, this

[34] See for example, Fredrick B. Pike, *The United States and the Andean Republics,* (Cambridge, MA: Harvard U.P., 1977); or Max Paul Friedman *Nazis and Good Neighbors: The United States Campaign Against the Germans of Latin America in World War II,* (New York: Cambridge U.P., 2003). In this important work, Friedman does use documents from Ecuadorian archives, but he sticks with a regional approach that does not analyze U.S.-Ecuadorian relations beyond the participation of the Arroyo del Rio Administration in the anti-German program that he studies. For general studies of the history of Ecuador see David W. Schodt, *Ecuador: An Andean Enigma,* (Boulder: Westview Press, 1987); George I. Blankstein, *Ecuador: Constitutions and Caudillos,* (New York: Russell and Russell, 1964); John D. Martz, *Ecuador: Conflicting Political Culture and the Quest for Progress,* (Boston: Allyn and Bacon, Inc., 1972P). For studies of the interactions between U.S. citizens and companies with Ecuadorian officials and citizens that do not deal specifically with the formulation of foreign policy, but that do include documents from Ecuadorian archives, see: Kim A. Clark, *The Redemptive Work: Railway and Nation in Ecuador, 1895-1930* (Wilmington, DE: Scholarly Resources, Inc., 1998); or Steve Striffler, *In the Shadows of State and Capital: The United Fruit Company, Popular Struggle, and Agrarian Restructuring in Ecuador, 1900-1995,* (Durham: Duke U.P., 2002). For a good overview of Ecuadorian foreign policy with the United States and the nations of the world see, Jorge W. Villacrés Moscoso (ed.), *Historia Diplomática de la República del Ecuador,* (5 vols.), (Guayaquil: EQ Editorial, 1989).

[35] Ronn Pineo, *Ecuador and the United States: Useful Strangers,* (Athens: University of Georgia Press, 2007). In addition to Pineo's work, historian George Lauderbaugh's unpublished dissertation also traces U.S.-Ecuadorian relations using archives in Ecuador and the United States, but his study ends at 1946. George M. Lauderbaugh, "The United States and Ecuador: Conflict and Convergence, 1830-1946" (Ph.D. diss., The University of Alabama, 1997).

dissertation complicates the picture of U.S.-Ecuadorian relations presented by Pineo. To the Ecuadorian masses, as Pineo shows, U.S. citizens generally remained strangers, and vice versa. This is not true, however, for the participants in the exchange programs explored in this dissertation. These leaders were the most useful in supporting the U.S. Empire.

Pineo and others who have explored the history of the relations between Ecuador and the United States all seem to agree that these relations have generally been close and cordial. This closeness has not shielded Ecuador from the inconsistencies of U.S. foreign policies, or from regional trends that have prompted harsh reactions from Washington. As in Peru, Bolivia, and Brazil, Ecuadorian presidents have at times nationalized industries dominated by U.S. companies, faced domestic instability that challenged their ability to lead, and lost their office to military coups.[36] The history of Ecuador is thus representative of the history of Latin American nations in general. As one of the more prolific scholars on Ecuadorian history, John Martz, has argued, Ecuador can be considered a, "microcosm for a wide variety of problems, questions, and issues" that have been relevant to the nations of Latin America.[37] Martz's assertion holds true as well in terms of U.S.-Ecuadorian relations. As they did with nations throughout the region, policymakers in Washington closely monitored events in Ecuador whenever these seemed to challenge U.S. interests. Threats by the Ecuadorian government to nationalize

[36] See, Ricardo A. Paredes, *Oro y Sangre en Portovelo: el imperialismo en el Ecuador*, (Quito: Edición CPPEO, 1980) for a discussion of the threatened nationalization of the South American Development Company operations in Ecuador, and Martin C. Needler, *Anatomy of a Coup d'Etat: Ecuador 1963*, (Washington, D.C.: Institute for the Comparative Study of Political Systems, 1964) for a discussion of the coup against Ecuadorian president, Carlos Julio Arosemena Monroy.
[37] John D. Martz, *Ecuador*, vii.

the operations of the South American Development Company in the 1930s, the fining of U.S. fishing vessels in the 1950s, and the overthrow of Velasco Ibarra in 1961, reflected broader regional trends of the time. Each episode prompted reactions from U.S. officials. Yet these reactions never reached the level of alarm that led to U.S. interventions in other nations of the region. And since studies of U.S. interventions, both covert and otherwise, have stolen much of the scholarly spotlight, historians have generally overlooked Ecuador when explaining U.S.-Latin American relations. But it is precisely because U.S.-Ecuadorian relations have traditionally been strong and stable that they deserve deeper study. If we want to understand the day to day operations involved in maintaining the U.S. Empire over time, we need to look beyond the dramatic to the routine. We need to explore what happens not only when negotiations fail, but also when they succeed.[38]

By analyzing the history of U.S.-Ecuadorian relations from 1933 to 1963, we can more fully understand the establishment and maintenance of the U.S. Empire in the Third World. Maintaining this dominance required the support of influential Ecuadorian elites who essentially agreed with U.S. ideologies and methods—especially regarding global capitalism and security. The growing number of educational exchange programs between the United States and Ecuador (as well as other nations) represented one significant way that elites in both countries worked to increase the number of pro-U.S. elites worldwide. By creating and funding the American School of Quito, the Foreign Leader Program, and the Fulbright Program, policymakers hoped to provide opportunities for Ecuadorian

[38] For the purpose of this study, "success" in terms of diplomatic negotiations means the general avoidance of violence and interventions that scholars of international relations agree mark a breakdown of these negotiations. It does not mean that Ecuadorian or U.S. elites always got what they wanted. Nor does it mean that the citizens of Ecuador or the United States always benefited.

leaders working in the fields of politics, security, information and business, as well as Ecuadorian students, who were the future leaders of these fields, to study and train in the United States, or in U.S.-styled institutions in Ecuador. Proponents of these programs believed that upon return, exchange participants would pass on to other Ecuadorians the methods and ideas that they had learned in the United States. This process would then deepen the impact of U.S. culture and ideas in Ecuador, and further the continuation of strong U.S.-Ecuadorian relations. Officials from the United States and Ecuador tested these relations periodically from 1933 to 1963 as they attempted to maximize benefits for their nations in a rapidly changing world. Documents from the Foreign Ministry Archive in Quito—many of which are used for the first time here—and the National Archive in Washington, D.C., reveal the decision making of these elites.[39] Analyzing the negotiations between policymakers from both Quito and Washington illuminates the hegemonic process at work. Combining that analysis with a study of education programs deepens our understanding of that process.

I have separated this study into four chronological sections—1933 to 1939, 1940 to 1948, 1949 to 1957, and 1958 to 1963. The start date and the end date for each section coincide with significant events in both the United States and Ecuador that affected U.S.-Ecuadorian relations. I have then divided each section into one chapter on diplomacy and

[39] This study focuses almost exclusively on State Department and Foreign Ministry documents based on the assumption that in the world of diplomacy, Ecuador was represented by its Foreign Ministry and the United States by the Department of State. Certainly other groups were at work as well in U.S.-Ecuadorian relations, but this study remains centered on these official organs of the state. Several series from both archives were consulted, including, for example, communications between the Foreign Ministry in Quito and Ecuadorian embassies in Washington, D.C., Lima and Havana, as well as documents from the various branches of the U.S. foreign policy bureaucracy involved in diplomatic and cultural relation.

one chapter on education. This is not to suggest that the diplomacy and education chapters represent independent storylines. In fact, developments in one do not make complete sense without reference to the other. The diplomacy chapters reveal the hegemonic process as it was—a series of bilateral and multilateral negotiations between U.S. and Ecuadorian officials involving both coercion and consent that seldom resulted in complete victory for either side. The chapters on education detail the efforts of officials to ensure the continued success of this hegemonic process by expanding the number of Ecuadorians who consented to U.S. policies. The bulk of the analysis focuses on the years from 1940 to 1957, when U.S. hegemony in Latin America was firmly established, and then expanded to the rest of the Third World. Developments during the first section, 1933 to 1939, set the stage for this era, while those from 1958 to 1963 signaled a shift in U.S. hegemony in Latin America.

The diplomatic chapter in section one (1933 to 1939) examines the establishment of the Good Neighbor Policy, and the attempts to confront increased interference by the government of Ecuador in the affairs of U.S. businesses operating in Ecuador such as the South American Development Company and the All American Cables Corporation. Threats to nationalize the operations of both companies challenged the rhetoric of nonintervention that was the hallmark of Roosevelt's Good Neighbor Policy. In terms of education, a growing number of Ecuadorian students and intellectual elites continued their studies in the United States during this era thanks to scholarships and grants awarded by the government of Ecuador, and by private institutions in the United States. The U.S. government did not play a direct role in these exchanges at this point, but that

changed with the entrance of the United States into World War Two, which brought a push to rid the hemisphere of all fascist influences.

In the second section (1940 to 1948) we explore the establishment and eventual return of U.S. military bases on Ecuadorian territory. Following the attack on Pearl Harbor, officials in Washington accepted the offer of Ecuadorian officials to establish bases on Seymour Island in the Galápagos and in the coastal town of Salinas in order to guard against a Japanese attack on the Panama Canal. As the war wound down, negotiations for the return of these bases stretched on until 1948, when U.S. policymakers finally turned the bases over to the Ecuadorian government. This era marked the diplomatic solidification of hemispheric solidarity, and a more robust U.S. hegemony in Latin America. Culturally, these years witnessed the establishment by Ecuadorian elites of the American School of Quito, and the creation of a network of exchange programs funded by the U.S. government. The American school and the exchange programs were all part of an effort by U.S. and pro-U.S. elites to expand the number of Ecuadorians who could participate in the world-system created and promoted by Washington following the end of the war, and thus to encourage consent to this system.

Section three (1949 to 1957) deals first with challenges to U.S. hegemony represented by disputes over territorial waters, and the rights of Ecuador and other nations to control the natural resources found in these waters. Officials from Ecuador, Peru, and Chile attempted to force U.S. officials to abandon the traditional three-mile limit on territorial waters and accept instead a limit of 200 miles. To enforce its position, the government of Ecuador authorized its Navy to arrest and fine U.S.-flag fishing

vessels operating within the 200-mile zone. Despite several rounds of negotiations, policymakers never resolved this issue, and all sides failed to achieve their stated objectives. This section concludes with an examination of the Foreign Leader Program. A direct descendant of the exchange programs begun during World War Two, this program targeted leaders from specific segments of society who were considered to be the most influential in convincing Ecuadorians of the soundness of the U.S.-led system.

Section four (1958 to 1963) examines efforts by the administration of John F. Kennedy at the Inter-American Conference in Punta del Este, Uruguay, to convince the American nations to first exclude Cuba from the Organization of American States, and then to sever all diplomatic ties with Communist Cuba. Six nations, including Ecuador, resisted U.S. entreaties for a period, but finally relented. This section concludes with an exploration of the Fulbright Program, and the renewed emphasis on Latin American students in all U.S. exchange programs following Vice President Richard Nixon's tour of South America when he faced violent student protests in several of the countries he visited, though, significantly, not in Ecuador where he received a warm welcome.

I. Good Neighbors, 1933-1939

1. Economic Nationalism

In his 1933 inaugural address, President Franklin D. Roosevelt announced the new Latin American policy for his administration; the Good Neighbor Policy. In his speech, Roosevelt renounced U.S. intervention in the internal affairs of Latin American states. The history of U.S.-Latin American relations up until this point was marked with cases when Washington had intervened in the internal affairs of the nations of Latin America in order to protect U.S. economic interests. On the surface, the Good Neighbor Policy was Roosevelt's attempt to right this history. In so doing, the president hoped to encourage greater cooperation between the nations of Latin America and the United States, as all worked together for common goals. Yet the financial chaos of the Great Depression tested the abilities of the Roosevelt Administration to abandon older interventionist practices. Despite Roosevelt's rhetoric of cooperation, by 1937 the government of Ecuador, as well as other governments in the region, attempted to secure greater percentages of the profits of foreign companies operating within their national borders. This economic nationalism challenged directly the non-interventionism of the Good Neighbor Policy.

The 1930s were a chaotic time in Ecuadorian political history. During what historian Augustín Cueva describes as "the long crisis of hegemony," the Ecuadorian government was presided over by seventeen different heads of state, with five in 1932 alone, as the previous liberal hegemony dissolved.[1] Underlying this chaos was an

[1] Augustín Cueva, "El Ecuador de 1925 a 1960," in *Nueva Historia del Ecuador, Volumen 10, Epoca Republicana IV*, Enrique Ayala Mora, ed. (Quito: Corporación Editora Nacional, 1996), 96.

Ecuadorian economy that was showing serious signs of trouble, recording in 1929, for example, a record deficit in balance of payments.[2] The political crisis began in 1931 with the overthrow of President Isidro Ayora by the Ecuadorian military, which since the July 1925 Revolution had periodically inserted itself into national politics as an institutional power.[3] Economically, the Great Depression in Ecuador effectively ended a boom in cacao exports that had begun to decline as early as 1920, a reality which challenged the existing political and economic relations in the country.[4] As happened in countries around the world, people began questioning the basic tenets of capitalism as championed by the United States beginning in 1929. Throughout Latin America, the Great Depression brought a general collapse of the existing political arrangements.[5] Within the first three years of the Depression, the volume of international trade was cut in half—a development with disastrous implications for Latin American economies that depended on exports.[6] The answer for many Latin American governments was to exert increased control over their national economy. In countries with significant internal markets, governments turned to import-substitution policies to try to balance their trade deficits.[7] For countries such as Ecuador, which had a considerably smaller internal market, the contraction of foreign trade was hard to overcome. One immediate result was the proliferation of

[2] Cueva, 96.
[3] David W. Schodt, *Ecuador: An Andean Enigma* (Boulder: Westview Press, 1987), 50.
[4] Ronn Pineo, *Ecuador and the United States: Useful Strangers* (Athens: The University of Georgia Press, 2007), 93.
[5] Tulio Halperín Donghi, *The Contemporary History of Latin America* (Durham: Duke University Press, 1993), 208.
[6] Ibid., 209.
[7] Ibid., 211.

internal political chaos as the presidency cycled from populist to dictator to military regime and back again.

On the international stage, this was an era of increased multilateral cooperation for both Ecuador and the United States. In 1934, during the first administration of José Maria Velasco Ibarra, Ecuador joined the League of Nations. Some Ecuadorians, including Velasco Ibarra, pushed for the ratification of the League charter because they wanted to participate in an international forum where they could air their grievances, particularly those concerning the border dispute between Ecuador and Peru.[8] Taking note of the economic and political chaos experienced by Ecuador and other nations in the hemisphere, the United States for its part worked more closely than ever with the various inter-American associations as the Roosevelt Administration solidified U.S. hegemony in the hemisphere. These efforts took on an increasing urgency with the outbreak of World War Two when U.S. officials began to worry about fascist penetration in the Americas.

Beginning with the Conference for the Maintenance of Peace, held in Buenos Aires in 1936, Washington adopted a multilateral approach to secure its role as hegemon. The Consultative Pact agreed to at Buenos Aires pledged the member nations to enter into dialogue if an outside force threatened any one nation. Under the Buenos Aires Convention, the ratifying nations committed to developing cultural exchange programs

[8] Jorge W. Villacres Moscoso, *Historia Diplomatica de la Republica del Ecuador*, segundo tomo (Guayaquil, Ecuador: EQ. Editorial, 1989), 214. From the 1830s to 1995, Ecuador and Peru fought periodically over their shared border. Throughout that time, and hence during the period under study here, this border dispute was the major focus of Ecuadorian foreign policy. For our purposes, however, we will only address the dispute briefly, particularly during those moments when it threatened the hegemony that the United States was attempting to establish and maintain. For a more detailed discussion of the dispute see, David H. Zook, *Zarumilla-Marañón: The Ecuador-Peru Dispute* (New York: Bookman Associates, Inc., 1964).

that designed to increase mutual awareness throughout the hemisphere, and that served to solidify U.S. hegemony. In 1938, delegates followed the Buenos Aires conference with the Eighth International Conference of American States held in Lima, Peru, which added military elements to the 1936 Convention. Thus, even before the United States had formally entered World War Two, members of the Roosevelt Administration, particularly Undersecretary of State Sumner Welles and Laurence Duggan from the Coordinator's Office, worked to solidify U.S. hegemony in Latin America. The actions of the government of Ecuador during this time regarding key U.S. business interests within the country served as a broader, regional challenge to this hegemony.

Relations between the United States and Ecuador have historically been close, and the early 1930s were no different. In 1931, the U.S. ambassador to Quito, William Dawson, declared that "the attitude of Ecuadoran officials, press and public towards the United States is, it is believed, more friendly at the present moment than at any time during the past twenty years."[9] This did not mean that Ecuadorian foreign relations were limited only to those with the United States. As Dawson pointed out, there were a number of "well established German commercial houses" in Ecuador. The Italians also directed a military mission that was "notably successful both in its technical work and its relations with Ecuadoran officers, officials, and society." In 1931, State Department officials considered the presence of established German and Italian communities and operations as something to monitor. With the advent of World War Two, however, these relations took

[9] Throughout this study, U.S. officials used the label "Ecuadoran" to describe people from Ecuador. Today, "Ecuadorian" is more widely used, but the two spellings are synonymous and therefore will not be corrected with the use of [*sic*]. William Dawson to Henry Lewis Stimson, 20 March 1931, Central File 1930-39, Box 3757, RG 59, NACP.

on a more ominous connotation in the minds of U.S. officials. In addition to bringing the United States into World War Two, the Japanese bombing of Pearl Harbor also intensified the efforts of U.S. elites and their pro-U.S. allies in Latin America to rid the hemisphere of fascist influences. Still monitoring the German and Italian communities in Latin America, U.S. officials now also paid close attention to the efforts of the Japanese to increase diplomatic and trade relations with the nations of Latin America.[10]

Throughout the 1930s, officials in Washington and their appointees in the capital cities of Latin America closely followed the activities of Germans, Italians and Japanese living in the region. While in 1937 the U.S. Chargé de'Affaires in Quito, Gerhard Gade, described the activities of the Germans and Italians living in Ecuador as "negligible," he nonetheless carefully detailed the influence of these populations.[11] According to Gade, there were 400 Germans living in Guayaquil who were divided into four main categories—old Germans, Nazi Party members, half-Jews, and Jews.[12] The German community in Quito was said to be "much smaller," with the majority being Jews and half-Jews. Unlike the Germans, the Italians living in Guayaquil were, according to Gade, "very efficiently and completely organized." In Quito, the Italians confined their activities to propaganda work carried out by the Italian Military Mission, the members of which were reportedly attempting to mold the Ecuadorian army along lines similar to those of Fascist Italy.[13]

[10] For a good regional discussion of these efforts see, Max Paul Friedman's *Nazis and Good Neighbors*.
[11] Gerhard Gade to Cordell Hull, 31 December 1937, Central File 1930-39, Box 4544, Record Group (hereafter RG) 59, National Archives at College Park, Maryland (hereafter NACP).
[12] Ibid.
[13] Ibid.

Gade reported that both the Fascist and the Nazi parties attempted to control their countrymen living in Ecuador—with the Fascists having more success than the Nazis. This influence was not merely ideological. In 1935, for example, Germany and Ecuador concluded a commercial treaty under which Germany "conceded the unlimited importation of Ecuadorean raw materials, excepting cacao."[14] Even before the United States entered World War Two, securing raw materials for U.S. manufacturing was an important goal of U.S. foreign policy in Latin America. This goal only grew in significance following the attack on Pearl Harbor.

In 1937, the governments of Germany and Ecuador followed this commercial agreement with a second one that secured a German Police Commission to "reorganize" the Ecuadorian police force.[15] In both cases, economic conditions in Ecuador seemed to Gade to be driving these agreements—the first guaranteed German markets for Ecuadorian exports, and the second provided police training at a price that was said to be "much lower" than what the United States would charge.[16] As for the Japanese, in 1934, the Ecuadorian ambassador to Washington, Colón Eloy Alfaro, wrote to his Minister of Foreign Affairs, Manuel Sotomayor y Luna, recommending that the government make a careful study of a Japanese proposal for a commercial treaty between Ecuador and

[14] Gade to Hull, 31 December 1937.
[15] Ibid.
[16] Ibid.

Japan.[17] Alfaro cautioned that whatever officials in Quito decided to do, they should be careful not to damage U.S.-Ecuadorian relations.

Eventually officials came to consider the relations between the nations of Latin America and Britain and France to be more important as the United States moved to solidify its hegemony in Latin America. In the early 1930s, however, this concern was still a few years away. For now, Dawson simply remarked on the "attraction which Paris has always had for wealthy Ecuadorans," and he noted the presence of British investments in Ecuadorian oil fields.[18] Of course, U.S. businesses also operated in Ecuador, and U.S. concerns enjoyed monopolies in shipping (Grace Shipping Company), passenger and mail airlines (Pan American Grace Airways, or, PANAGRA) and telecommunications (All American Cables.)[19] This dominance in these growing and profitable industries generated some resentment among Ecuadorians; resentment which only grew as the global economic depression deepened.

Dawson suggested a number of improvements designed to strengthen U.S.-Ecuadorian relations before this antipathy developed into anti-Americanism. The first, and perhaps most important in terms of the present chapter, concerned the "protection of American interests" since, according to Dawson, the Ecuadorian concept of contracts differed "materially" from the U.S. concept. Ecuadorian officials, as well as elites throughout Latin America, at times forced companies such as All American Cables and

[17] Colón Eloy Alfaro to Manuel Sotomayor y Luna, 20 September 1934, Series G, Comunicaciones Recibidas de la Embajada en los Estados Unidos, Ministerio de Relaciones Exteriores Archivo Historico de Quito (hereafter MREAH).
[18] Ibid.
[19] Dawson to Stimson, 20 March 1931.

the South American Development Corporation to renegotiate the terms of their contracts with the national government. Such actions sometimes appeared to be arbitrary by the executives running these companies, and the resulting negotiations did not always go smoothly. But even before President Roosevelt announced his Good Neighbor Policy, Dawson suggested that "the burden of protecting their interests should, it seems, fall in the first instance on the American concerns involved," and that "formal representations [by the U.S. government] should, it is believed, be resorted to only in extreme cases and where there is reason to believe that they will prove effective."[20] Even before the rhetoric of cooperation enshrined in the Good Neighbor Policy, Dawson recognized the futility of involving Washington in negotiations between U.S. companies and Latin American governments in cases that were less than "extreme." The announcement of the Good Neighbor Policy seemed to imply that non-interventionism was the new policy of the U.S. government. With the outbreak of war, governments throughout Latin America began to test this policy by expropriating U.S. concerns that were crucial for the Allied war effort.

Beginning in 1932, reports of trouble between the government of Ecuador and the South American Development Company—a mining company that operated a gold mine in Ecuador—began to reach officials at the Department of State. In December, Communist and Conservative Senators in Ecuador began publicly accusing the company of tax evasion, bribery, and a "monopolistic tendency."[21] That same year, Ernest

[20] Dawson to Stimson, 20 March 1931.
[21] Dawson to Stimson, 5 January 1932, Central File 1930-39, Box 5673, RG 59, NACP.

Cummings, the Vice President of All American cables, which was a U.S. communications company operating throughout Latin America, traveled to Quito to try and convince the Ecuadorian government to refrain from charging the company transit charges on cable messages—a charge that had earlier been legislated but never enforced.[22] By the end of 1932, the Ecuadorian congress had passed a bill "disapproving" the government's contract with the South American Development Company. The bill also stipulated that any future contract must contain "certain stipulated advantages" for the government, as well as guarantee the right for "the taking over of the mines by the State if the Company should suspend operations as it has intimated might be done if the contract were revoked."[23] This dissolution of the existing contract, which the company and the government had signed in 1923, foreshadowed future tensions between the governments of the United States and Ecuador.[24]

By 6 May 1933, representatives of the South American Development Company and the government of Ecuador had signed a new contract.[25] If approved by Congress, the contract extended, for almost thirty years, all of the rights acquired by the company under previous contracts.[26] In exchange, the company would provide the government with four percent of the gross value of the ore removed from the mine, as well as income tax in gold bullion, and tax on all sales at the company's stores. The contract also required the company to make an additional onetime payment to the government equivalent to three

[22] Dawson to Stimson, 1 March 1932, Central File 1930-39, Box 5673, RG 59, NACP.
[23] Dawson to Stimson, 3 December 1932, Central File 1930-39, Box 5673, RG 59, NACP.
[24] Dawson to Cordell Hull, 6 May 1933, Central File 1930-39, Box 5690, RG 59, NACP.
[25] Selden Chapin to Hull, 28 November 1933, Central File 1930-39, Box 5690, RG 59, NACP.
[26] Ibid.

percent of the gross product for 1932. Yet once submitted to Congress, the terms of the contract continued to change. By December, reports from Guayaquil indicated that the government now expected six percent of the value of the gross product instead of the earlier agreed upon four percent.[27]

At this early point in the negotiations, the General Manager of the company, A. Mellick Tweedy, felt that the changes were not "confiscatory in trend, and that, although the percentage is higher than the company had been prepared to pay, it would be possible to operate with profit under the contract as revised."[28] Despite this acknowledgement, the lawyer for the South American Development Company in Guayaquil urged Tweedy to fight the decision, arguing that the Ecuadorian Senate was not happy with the new revision. Senators appeared worried that the South American Development Company board of directors would not approve the new version.[29] According to Tweedy, "references in closed session of the Senate were most cordial to the company" because the Senators knew that the company was one of the biggest U.S. operations in Ecuador, and they felt that "the company has shown a most willing spirit of compromise and a desire to cooperate."[30] The company lawyer therefore urged Tweedy and the board to exploit this division among Ecuadorian elites in order to secure favorable terms for the South American Development Company.

In addition to the communications and mining ventures describe above, the 1930s also marked the beginning of greater interest by U.S. companies in exporting Ecuadorian

[27] Chapin to Hull, 8 December 1933, Central File 1930-39, Box 5690, RG 59, NACP.
[28] Ibid.
[29] Chapin to Hull, 8 December 1933.
[30] Ibid.

bananas. By the early 1950s, Ecuador was the world's leading exporter of bananas. Much of this process began during the era under study in this chapter as various U.S. companies and individuals competed for access to Ecuador's fledgling banana industry. In December 1932, Clarence Chester, the Vice President of the Pacific Fruit Company, arrived in Ecuador in order to try and secure concessions to export bananas. That same month, H.A. Agnew, a representative from the United Fruit Company, arrived in pursuit of the same goal.[31] By February 1933, negotiations between Pacific Fruit and the Ecuadorian government were reportedly going well, and the company hoped to begin shipping bananas in May. Talks dragged on for several months, however, and Chester eventually broke with Pacific Fruit and began representing his own concern in Ecuador.[32]

Meanwhile, in July 1933, using capital and management tied to the Weinberger Banana Company of New Orleans, U.S. businessmen established the Compania Frutera Ecuatoriana in Guayaquil.[33] Despite the competition, United Fruit was moving forward with its negotiations, which company representatives shrouded in secrecy. Rumor had it that the company was looking to buy land that in order to grow bananas.[34] An editorial in the Guayaquil daily *El Telegrafo* cautioned that, United Fruit "should be welcomed but that measures must be taken to forestall abuses on its part such as those from which other countries have suffered."[35] Going into more detail, the author charged that United Fruit had established "odious monopolies" in other Latin American countries, and that the

[31] Dawson to Stimson, 4 January 1933, Central File 1930-39, Box 5673, RG 59, NACP.
[32] Dawson to Hull, 4 May 1933, Central File 1930-39, Box 5673, RG 59, NACP.
[33] Dawson to Hull, 3 August 1933, Central File 1930-39, Box 5673, RG 59, NACP.
[34] Dawson to Hull, 4 October 1933, Central File 1930-39, Box 5673, RG 59, NACP.
[35] Ibid.

company had also "ma[de] and unma[de] legislatures and governments and create[d] situations in which 'the United States ke[pt] rais[ing] the sword of intervention."[36] The author thus urged caution.

By November, Ecuadorian newspapers were reporting that a "powerful foreign company" had purchased a large hacienda which had formerly been one of the biggest cacao plantations in Ecuador. According to the Chargé de'Affaires in Guayaquil, Selden Chapin, the entire affair was "shrouded in mystery," and though he suspected that United Fruit was the company referred to in the article, he could not yet confirm his suspicion.[37] A few months later United Fruit made its actions more public by forming the Compania Bananera del Ecuador and purchasing the Tenguel plantation mentioned in the article.[38] While bananas would eventually become the leading export crop of Ecuador, for now the cautious, and occasionally negative, reactions by Ecuadorians to a growing U.S. presence in the field foreshadowed greater tensions to come.

In the early 1930s, then, tensions between the South American Development Company, All American Cables, United Fruit, and the Ecuadorian Government threatened to undermine U.S.-Ecuadorian relations. The rhetoric of the Good Neighbor Policy worked to limit the options of officials working in the Roosevelt Administration as they sought to address these tensions. The use of gunboats or overt support of U.S. companies operating in Ecuador was no longer viable. While at this point no true break in relations between the government of Ecuador and the United States occurred,

[36] Dawson to Hull, 4 October 1933.
[37] Chapin to Hull, 4 November 1933, Central File 1930-39, Box 5673, RG 59, NACP.
[38] Chapin to Hull, 2 February 1934, Central File 1930-39, Box 5673, RG 59, NACP, and, Schodt, 56.

policymakers in each nation continued to eye each other warily as the Depression dragged on.

In October 1933, an overwhelming majority of Ecuadorians elected José María Velasco Ibarra to be their president.[39] This was the first of five presidential administrations headed by Velasco Ibarra (the last was in 1968). Officials in Washington never really knew what to expect from a Velasco Ibarra administration. At this point, though, President Velasco Ibarra was a young, eager former congressman who had won the election thanks to a coalition of conservatives (despite being a professed liberal), and his own personal supporters known as *Velasquistas*.

Soon after his victory, Velasco Ibarra met with Russell Luke, the Ecuadorian representative for the South American Development Company, and asked him "as a personal friend to accept the changes made in the contract by the bill" discussed above.[40] The Ecuadorian Congress had also recently passed a bill that would enforce the collection of income tax from All American Cables, as well as sales tax, and the formerly repealed transit tax.[41] The passage of this bill was part of a broader showdown between Velasco Ibarra and the congressmen, many of whom resented his presidency. Prior to his victory, liberal congressmen who questioned Velasco Ibarra's coalition of conservatives had openly stated that they would never permit Velasco Ibarra to be sworn in should he win

[39] It should be noted that even though Velasco Ibarra won with a large majority of the votes, suffrage in Ecuador was far from widespread during this era. As historian Ronn Pineo points out, by 1948 only nine percent of Ecuadorians voted, a number that was surely lower during the 1930s. Pineo, 139
[40] Chapin to Hull, 3 January 1934, Central File 1930-39, Box 5673, RG 59, NACP.
[41] Ibid.

the election.[42] As the months wore on, however, the Liberal Party proved to be highly fractured, and thus they could not prevent Velasco Ibarra's inauguration in August 1934. Despite their, however, liberal congressmen, who were later joined by conservatives wary of Velasco Ibarra's policies, made governing Ecuador difficult for the young president. Within the first year of his term, Velasco Ibarra faced open rebellion as an uncooperative Congress worked to push him out.[43]

Though reports indicated that the Ecuadorian people generally supported the president and his accomplishments, the opposition refused to back down.[44] On 20 August 1935 the Senate, where members of the opposition were facing mob violence which Velasco Ibarra refused to control with the Army, and which was a response by Ecuadorians to the slow pace of reform, resolved that it would attend no further sessions.[45] President Velasco Ibarra responded the next morning by declaring the Senate's refusal unconstitutional and calling for a new Constitutional Assembly.[46] Seen as an attempt by Velasco Ibarra to establish a dictatorship, the Army moved in and arrested the president.[47] The General Staff of the Army then appointed Antonio Pons, the Minister of Government, as Acting President. Stability remained illusory, however, and on September 26, Pons and the Army dissolved the Congress when they realized that

[42] Chapin to Hull, 4 December 1933, Central File 1930-39, Box 5673, RG 59, NACP.
[43] Antonio Gonzalez to Hull, 8 August 1935, *Foreign Relations of the United States* (hereafter *FRUS*), 1935 IV: 527.
[44] Ibid.
[45] Ibid., 530.
[46] Ibid.
[47] Ibid., 531.

representatives would never pass the constitutional reforms that they desired.[48] Two days later, Pons and his entire cabinet resigned in order to prevent electoral victories by Conservative party members. In cooperation with Army officials and liberals, Pons never named a successor, thus the Army again chose the next Acting Head of State—Federico Páez Chiriboga.[49] Páez declared that he would only stay in power until officials created, and ratified, a new constitution.[50] Thus began several years of on and off again military control of Ecuador. This political chaos would ultimately challenge U.S. interests in Ecuador as military leaders sought to maximize government revenues by taxing foreign companies such as the South American Development Company and All American Cables.

As in Ecuador, the era under study here began in the United States with the election of a new president—Franklin D. Roosevelt. Following Roosevelt's announcement of the Good Neighbor Policy, officials in Washington closely monitored the reactions of Latin Americans to press reports of the new policy. Writing from Ecuador, Selden Chapin commented that, although the local press covered Hull's and Roosevelt's comments about the Good Neighbor policy "no great interest appear[ed] to have been manifested." Chapin noted that "the little comment to be remarked was in general favorable, although isolated comment here and there professed to see a new brand of imperialism in the policy of the 'good neighbor'."[51] The historic strength of U.S.-Ecuadorian relations did not erase suspicion from the minds of all Ecuadorians

[48] Gonzalez to Hull, 2 October 1935, *FRUS* 1935 IV: 535.
[49] Ibid.
[50] Gonzalez to Hull, 29 September 1935, *FRUS*, 1935 IV: 534.
[51] Chapin to Hull, 2 February 1934, Central File 1930-39, Box 5673, RG 59, NACP.

concerning the motives of the Roosevelt Administration. At bottom, Ecuadorians had plenty to worry about without concerning themselves too much with pronouncements of a new approach in Washington.[52] These accusations of imperialism continued to appear in "sporadic articles…that alleged a new brand of United States imperialism in Ecuador through the peaceful penetration of large companies."[53]

The local press singled out the operations of United Fruit in Ecuador by reporting that the company was rapidly buying up land in the banana producing region, while also mentioning the activities of U.S. fishermen operating in the waters off of the Galapagos. Chapin pointed out that "while from the point of view of world trade, all these enterprises are small, to poverty-stricken Ecuadorans, they bulk exceedingly large in capital, and this point should be taken into consideration."[54] Despite his paternalistic language, Chapin seemed to be urging officials in Washington not to dismiss Ecuadorian concerns by hiding behind the rhetoric of the Good Neighbor Policy. In spite of these sporadic attacks, as Ambassador Dawson pointed out, the press "in general abstained from coupling this attitude with any violent denunciations of American governmental policy as might formerly have been the case."[55] Perhaps the Roosevelt administration's efforts to correct some of the errors of past policies that relied more on coercion rather than consent were gaining ground.

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[52] In retrospect we now know that the Good Neighbor Policy was not the break with tradition that some thought it was at the time, and that in fact the roots of the policy lie in the administration of Herbert Hoover. See, David Green, *The Containment of Latin America: A History of the Myths and Realities of the Good Neighbor Policy* (Chicago: Quadrangle Books, 1971), and Elizabeth A. Cobbs, *The Rich Neighbor Policy* (New Haven: Yale University Press, 1992), as well as Ronn Pinneo's *Useful Strangers* already referenced here.

[53] Chapin to Hull, 3 March 1934, Central File 1930-39, Box 5673, RG 59, NACP.

[54] Ibid.

[55] Dawson to Hull, 7 July 1934, Central File 1930-39, Box 5673, RG 59, NACP.

Meanwhile, negotiations with the South American Development Company continued. President Velasco Ibarra took an "active interest" in the proposed settlement of the differences between the company and the government.[56] In addition to the communication between Velasco Ibarra and Luke mentioned above, the new president held several meetings with the company's local representatives. After repeated delays while the board members of the South American Development Company discussed the revised contract, Ambassador William Dawson announced that representatives from the Ecuadorian government and the company signed the new contract on 8 May 1934.[57] Dawson noted that the contract drew special attention to Article 153 of the Ecuadorian constitution. Clearly a reaction to concerns over foreign imperialism, this article stipulated that "any contract entered into by a foreign concern shall include the implicit renunciation of recourse to diplomatic assistance."[58] If problems arose between the government of Ecuador and the South American Development Company, or All American Cables, United Fruit, or Grace Shipping, it would be unconstitutional under Ecuadorian law for these companies to try and use diplomatic pressure to leverage an outcome favorable to their interests. Having learned their own lessons from the history of U.S. foreign relations in Latin America, some Ecuadorian elites were not yet fully prepared to trust their "good" neighbors. These suspicions were in part also products of the intensifying battles between Velasco Ibarra and Congress.

[56] Chapin to Hull, 12 March 1934, Central File 1930-39, Box 5690, RG 59, NACP.
[57] Dawson to Hull, 23 May 1934, Central File 1930-39, Box 5690, RG 59, NACP.
[58] Ibid.

The president now found it difficult to accomplish any of the reforms on his agenda. This pressure from Congress included renewed attacks against the United States as Senators openly levied accusations of imperialistic activities, while also launching investigations into the sales of banana lands to the United Fruit Company. The Chamber of Deputies was reportedly drafting a new bill that would regulate the purchase by foreign concerns of Ecuadorian land.[59] In their final report, members of the Chamber of Deputies argued that "certain properties" belonging to the Canadian-Ecuadorian Cacao Company, Ltd., identified as a United Fruit subsidiary, should "revert to the State as falling within the fifty kilometer frontier zone in which the acquisition of land by foreigners is prohibited by the Constitution."[60]

In making their determination, representatives cited the experiences of other Latin American nations where, according to them, "once they develop[ed] their own production, banana companies tend[ed] to acquire a monopolistic position and to squeeze out independent producers."[61] In order to prevent this from happening in Ecuador, the committee responsible for the report submitted a bill that would make it illegal for any foreign company to hold land in Ecuador without first gaining the approval of Congress.[62] Combined with the recent reiteration of Article 153 in connection with the new South American Development Company's contract, this judgment against United Fruit signaled the unwillingness of some Ecuadorian elites in Congress to support practices by U.S. companies that had worked successfully in the past. In so doing, the

[59] Dawson to Hull, 3 October 1934, Central File 1930-39, Box 5673, RG 59, NACP.
[60] Dawson to Hull, 4 December 1934, Central File 1930-39, Box 5673, RG 59, NACP.
[61] Ibid.
[62] Ibid.

congressmen challenged directly the position of elites in Washington whose options were limited by the rhetoric of the Good Neighbor Policy.

By 2 November 1934, congressional dissatisfaction with the Velasco Ibarra Administration's actions had grown so acute that a resolution expressing a "lack of confidence in the President's conduct of foreign affairs" was only narrowly defeated in Congress.[63] According to Dawson, however, it was probably "a mistake to infer that, in defeating the opposition motion, the majority of Congress necessarily endorsed or approved the Government's handling of foreign affairs."[64] By November 7, in fact, Foreign Minister Sotomayor y Luna had resigned.[65] Foreshadowing events soon to come, Dawson commented that "as usual at such times, the remark is frequently heard that, if the government falls, only a dictatorship can save the country," yet the ambassador doubted that this would come to pass since the army did not seem dispossessed at this time to support a dictatorship.[66] Within a few years, however, the military would indeed be in control of Ecuador.

By the end of 1934, despite the actions taken against the South American Development Company, All American Cables and United Fruit, just how far governmental elites in Ecuador were willing to go to challenge U.S. interests remained unclear. In December, for example, a "substantial majority" of the Chamber of Deputies defeated the recommendations detailed in the report on United Fruit, as well as the bill

[63] Dawson to Hull, 4 December 1934.
[64] Ibid.
[65] Ibid.
[66] Dawson to Hull, 6 October 1934.

asking the government to confiscate the landholdings of the company.[67] And though the bill prohibiting foreign companies from purchasing land within fifty kilometers of the Ecuadorian frontier had previously passed the lower house, the Senate was now considering the matter. While the Senate did approve the bill on first reading, they took no further action.

At this point, the instability within the Ecuadorian government made the future of U.S. interests in the country unclear. The Ecuadorian government had not abandoned its traditional ties with the United States. Ambassador Dawson reported, for example, that the government's budget allotment for their legation in Washington was "not only the largest allotment made but a sum exceeding the total appropriation for Ecuador's combined diplomatic representation in Europe." It remained to be seen whether the Ecuadorian Congress would continue to test the rhetoric of nonintervention that was the hallmark of the Good Neighbor Policy by attempting to force U.S. companies to accept changes in their existing contracts.[68]

In 1935, the military ousted Velasco Ibarra after the president dissolved the legislature and jailed opposition members. Military commanders then installed Federico Páez, who established his own dictatorship which lasted until 1937.[69] While political chaos and economic troubles continued to plague Ecuador, officials in Washington were working to secure greater hemispheric solidarity. At the Buenos Aires Conference in 1936, delegates from both Ecuador and the United States sought multilateral solutions to

[67] Dawson to Hull, 8 January 1935, Central File 1930-39, Box 5673, RG 59, NACP.
[68] Dawson to Hull, 1 February 1935, Central File 1930-39, Box 5673, RG 59, NACP.
[69] Pineo, 102.

perceived threats from outside forces. U.S. representatives were concerned primarily with the influence of fascists in the hemisphere following Italy's invasion of Ethiopia, while the Ecuadorians were more worried about the Peruvians who continued to threaten invasion.[70]

By October 1937, the Páez Administration was in trouble. The Constituent Assembly convened by the president was making little progress, and reports of corruption by government officials circulated freely.[71] Allegedly tired of the position, President Páez decided to resign on October 23, at which point the military appointed the Minister of National Defense, General G. Alberto Enriquez, as the Supreme Chief.[72] General Enriquez now began enacting legislation that affected foreign companies, including All American Cables and the South American Development Company, more directly than had previous legislation. On December 13 of that year, Enriquez issued Decree No. 27, which required all foreign companies to pay a monthly pension to each of their Ecuadorian employees with twenty years or more of service to the company.[73] While U.S. business owners affected by the decree did not protest the awarding of pensions per se, the singling out of foreign companies did raise concern in Washington. Writing to Gade, Secretary of State Cordell Hull instructed the Chargé to point out to the Ecuadorian foreign minister that the decree appeared to "work an unusual hardship on American companies already established in Ecuador," and that it was discriminatory against foreign

[70] Pineo, 106.
[71] Gonzalez to Hull, 27 October 1937, *FRUS*, 1937 V: 472.
[72] Ibid.
[73] Ibid, 536.

companies in general.[74] The Páez Administration followed this pension decree with a second one that eliminated free entry into Ecuador of materials required for the operations of foreign companies, especially the South American Development Company. Forcing foreign companies to provide pensions to their Ecuadorian employees, and charging them import taxes, was only the beginning.[75]

In early 1938, communications from Quito indicated that the Enriquez Administration was now demanding that the South American Development Company pay the government $600,000 and agree to a 100 percent increase in its production tax.[76] The payment would serve as an advance on the production taxes, which would in turn be due over a period of fifteen years. Because of these decrees, and in violation of Article 153 of the Ecuadorian Constitution, which prohibited direct intervention in matters pertaining to companies operating in Ecuador by foreign governments, General Manager Tweedy requested assistance from Washington "to prevent the matter from coming to a head so as to obviate more serious difficulties later."[77] State Department intervention, however, would seemingly go against the main tenets of the Good Neighbor policy.

Of course the government of Ecuador was not alone in attempting to generate more revenue from foreign companies operating within its borders. In December 1936, the Government of Bolivia created by decree the Bolivian Government Petroleum Deposits, and then, in March 1937, nationalized the properties of the Standard Oil

[74] Hull to Gade, 8 January 1938, *FRUS*, 1938 V: 536-7.
[75] McDonough to Hull, 13 January 1938, *FRUS*, 1938 V: 538.
[76] Ibid., 537.
[77] Ibid., 539.

Company of Bolivia.[78] Perhaps more widely known, the government of Mexico had nationalized its oil industry in 1938. Unlike those of Bolivia and Mexico, however, the Ecuadorian decrees had not formally suggested the expropriation of foreign businesses. As U.S. officials weighed their options, they had to keep in mind these regional challenges to U.S. hegemony.

In the case of Ecuador, the main complaint of Tweedy and the U.S. officials handling the situation was that the Ecuadorian government had seemingly broken an existing contract between the company and the government of Ecuador that was only four years old. As Edward Sparks from the Division of the American Republics put it, the "willingness or disposition" of the Enriquez Administration to "disregard and abandon, without serious concern or consideration of the consequences, its commitment or assurances made at some previous time" provided "ample reason for disquiet to American interests and relations in general."[79] The main question for the U.S. elites affected by the decrees became, why now? According to Gade, General Enriquez was trying to "divert attention from the weakness of his Government" by accusing foreign companies of exploiting Ecuador.[80] Gade and others believed that Enriquez's primary concern was the border dispute with Peru, which had led the General to purchase armaments from Czechoslovakia and to advance Ecuadorian troops to the border.[81] In other words, according to Gade, Enriquez hoped to generate the income needed to pay for this military buildup by altering the contracts of foreign companies operating in Ecuador.

[78] Muccio to Hull, 14 January 1937, *FRUS*, 1937 V: 275-7.
[79] Edward Sparks to Sumner Welles, 24 January 1938, Central File 1930-39, Box 5690, RG 59, NACP.
[80] Gade to Hull, 16 January 1938, *FRUS*, 1938 V: 540.
[81] Pineo, 110.

As U.S. officials, including Dayle McDonough, the American Consul General at Guayaquil, attempted to interpret the implications of these latest decrees, Enriquez moved quickly. The general gave the South American Development Company ten days from January 13 to comply with the new contract.[82] If company officials refused to cooperate, the General warned that he would send Ecuadorian troops to confiscate company property.[83] Recognizing the seriousness of the situation, the Company sent its communications directly to the State Department, bypassing the traditional diplomatic route through the consulate in Quito. The local representative of the South American Development Company, Russell Luke, argued that "since these attacks on foreign companies are general and of very serious import, we believe they should be brought to the attention of the State Department promptly."[84] In trying to decipher Enriquez's actions, the Chief of the Division of American Republics, Laurence Duggan, suggested to Undersecretary of State Welles that the recent decrees were an attempt by Enriquez to "assure it [the government] of a larger income."[85]

In the memo to Enriquez, Duggan and his team planned to "touch upon the relationship of the present financial stringency in Ecuador to the boundary discussions and to the purchase of arms by Ecuador."[86] Duggan hoped to use the border dispute negotiations that were taking place in Washington, D.C., at the request of the Ecuadorian government, in order to try and encourage Enriquez to change his position. According to

[82] Dayle McDonough to Hull, 13 January 1938, Central File 1930-39, Box 5690, RG 59, NACP.
[83] Gade to Welles, 19 January 1938, Central File 1930-39, Box 5690, RG 59, NACP.
[84] McDonough to Hull, 13 January 1938.
[85] Gade to Welles, 19 January 1938.
[86] Ibid.

U.S. analysts, the Enriquez administration had purchased military supplies from Czechoslovakia in an attempt to intimidate the government of Peru, and to force a Peruvian withdrawal from territory claimed by Ecuador. According to Sparks, the economic situation in Ecuador meant that the government would "seek by any means to augment budgetary revenues" and that "the assumption that the company is in a position to pay" was the "principal reason why the Government has and will continue to force it to modify its concession contract with that end in view."[87] Sparks predicted further that this problem would become "increasingly urgent" until the boundary dispute was settled.[88] Because the border disagreement with Peru was beyond the control of company officials, their only option was to negotiate with the government to try and convince General Enriquez to change his mind.

Typically during this era, policymakers in the Roosevelt Administration expected U.S. companies that experienced trouble with Latin American governments to negotiate with the local government directly before attempting to elicit State Department actions. As such, officials from the South American Development Company responded to the recent actions of General Enriquez by sending him a memo outlining the years of service performed by the company for Ecuador and for Ecuadorians.[89] Ecuadorian employees of the company earned the highest wages in Ecuador, and to enjoy standards of living and social conditions "incomparably higher than in any national enterprise."[90] Company officials argued that "the history of the facts occurred, backed by documents of

[87] Sparks to Duggan, 22 January 1938, Central File 1930-39, Box 5690, RG 59, NACP.
[88] Ibid.
[89] Sparks to Welles, 21 January 1938, Central File 1930-39, Box 5690, RG 59, NACP.
[90] Sparks to Duggan, 22 January 1938.

indisputable authenticity, indicates that the Company has proceeded with absolute and ample good faith, always being sure that its settlements were celebrated in accordance with the resolutions emanating from the highest powers of the State."[91] Closing by pointing out that the company and the government had a contract, company officials hoped to dissuade General Enriquez from forcing them to ratify a new contract before they had time to give it their full consideration.

In his response, however, Enriquez insisted that "the many contracts concluded between the Government and the company have been due to incompliance on the latter's part with the provisions thereof and that the existing contract does not have public approval."[92] This position angered company officials who consistently maintained two main points throughout their negotiations with the Enriquez Administration. The first was to insist on the legitimacy of a contract that the government of Ecuador had ratified in 1934. Company officials wanted to ensure that future administrations honored their contracts so that they would not have to enter into similar negotiations each time a new head of state took charge. The second point was to insist that while they understood the economic difficulties of Ecuador, they believed that the South American Development Company should not be forced to make up for any budgetary shortfalls of the Ecuadorian government since it already contributed significantly to the Ecuadorian economy. In response to their memo, General Enriquez continued to maintain that the original contract was not legitimate, and that it was instead a "revocable concession" that had never been

[91] Sparks to Welles, 21 January 1938.
[92] Sparks to Duggan, 22 January 1938.

properly ratified.[93] He also insisted that his recent decrees had nothing to do with any budgetary problems of his government. Negotiations appeared to be at a standstill.

While officials in Washington were somewhat hesitant to intervene too directly, Duggan and Welles did maintain an open line of communication concerning developments in Ecuador. On January 24, Duggan sent to Welles the latest analysis by Sparks who suggested that the Enriquez administration was not "particularly strong." Sparks argued that while the increased taxes called for by the decree might actually cause greater financial problems in the long run when the government attempted to convert tax revenues into foreign currency, such a move would in the short term raise additional capital without having an "acute effect on the internal political situation" facing the administration.[94] Sparks felt that ultimately Enriquez considered the full acceptance of the new contract by company officials as the most desired outcome, but that he probably would be satisfied with any "substantial compromise offer."[95] The problem as Sparks saw it, however, was that the company did not appear to be willing to make "further appreciable concessions and contributions to Ecuador."[96] Because company officials held firm in their own convictions that the government should honor their existing contract, and that the actions proposed by General Enriquez were discriminatory, and ultimately confiscatory, they expected State Department support.[97] Sparks admitted that the company should be mindful of the Ecuadorian government's economic situation, while

[93] Gade to Hull, 17 January 1938, *FRUS*, 1938 V: 543.
[94] Duggan to Welles, 24 January 1938, Central File 1930-39, Box 5690, RG 59, NACP.
[95] Ibid.
[96] Ibid.
[97] Ibid.

also acknowledging the difficult position of company officials who had no way to insure that future administrations in Ecuador would not demand further changes.[98]

With this information, Welles drafted a memo to Ambassador Alfaro outlining the U.S. position, and asserting that "the Government of the United States does not request or expect special or preferential treatment for United States citizens and their interests in Ecuador. It does, however, have every confidence that the Government of Ecuador in its dealings with them will give full observance to the principles of equity and justice."[99] The Undersecretary closed by expressing his government's "earnest hope" that representatives from the company could be given the opportunity to discuss their problems "in a friendly manner" with Ecuadorian officials.[100]

The following day, January 29, Tweedy met with General Enriquez, but the General refused to budge. He gave the company three days to accept the new contract.[101] On February 2, however, Enriquez relented and extended the deadline until February 5.[102] Despite the extension, Tweedy insisted that the Board of Directors still needed two weeks to consider the revised contract fully.[103] Secretary of State Hull thus instructed Gade to "express to the Minister for Foreign Affairs the earnest hope of this Government that the President will find it possible to grant the necessary extension of time."[104]

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[98] Duggan to Welles, 24 January 1938.
[99] Memorandum, "The Department of State to the Ecuadoran Embassy," *FRUS*, 1938 V: 544.
[100] "The Department of State to the Ecuadoran Embassy," *FRUS*, 1938 V: 544.
[101] Gade to Hull, 29 January 1938, *FRUS*, 1938 V: 545.
[102] Gade to Hull, 2 February 1938, *FRUS*, 1938 V: 547.
[103] Hull to Gade, 4 February 1938, *FRUS*, 1938 V: 547.
[104] Ibid.

Tweedy's latest efforts to delay had little effect. In his response to Gade's request for more time, Foreign Minister Luis Bossano pointed out that the government had already granted the company a number of extensions which had delayed for one month any further action against it by the Ecuadorian government.[105] Speaking for his president, Bossano argued that surely this had been ample time for the company to make a decision. In addition, Foreign Minister Bossano reminded Gade that Ecuador, "following the doctrine generally accepted by all the countries of the world, and especially by those of America, does not recognize resort to diplomatic intervention."[106] In its defense, then, the Government of Ecuador contextualized its actions within broader regional norms.

Bossano also challenged directly the claim that the recent decrees were an attempt by General Enriquez to generate revenue, saying instead that "the demands of the Government from foreign companies are due to just claims under law and the respective rights of the parties."[107] Enriquez himself emphasized this point in a conversation with Sparks, stating that he had no desire for the South American Development Company to "contribute as a favor economic assistance to Ecuador since the Government demands only what pertains to it within its legitimate rights without its having ever had to ask a favor of anyone to correct its economic situation."[108] In closing, Foreign Minister

[105] Memorandum, "The Ecuadoran Ministry for Foreign Affairs to the American Legation in Ecuador," 7 February 1938, *FRUS*, 1938 V: 547-8.
[106] Ibid.
[107] Ibid.
[108] Memorandum of Conversation, 7 February 1938, Central File 1930-39, Box 5690, RG 59, NACP.

Bossano acknowledged that the Enriquez administration was willing to grant one more extension of ten days, which would expire on February 15.[109]

Responding to Bossano's memo, Sparks wrote Duggan that he did not feel that any actions taken by the State Department or the Legation concerning the case constituted "diplomatic intervention."[110] Instead, he felt that all U.S. officials had done was to "attempt to prevent precipitate action by the Ecuadoran Government which might readily give rise to a serious situation."[111] The "preemptory and unilateral" decision of General Enriquez to "set aside a valid contract," approved by a previous Administration and Congress, could have, according to Sparks, "an unfortunate effect" on U.S.-Ecuadorian relations.[112] Sparks thus argued that these efforts by the Department of State to maintain cordial relations between Ecuador and the United States were perfectly acceptable, despite the fact that the company's contract contained a clause dating back to 1917 that gave up the right to diplomatic intervention.[113] At this point, Undersecretary of State Welles determined that there was little more that officials in Washington could do regarding this matter.[114]

The controversy did not end here, however. On February 8, the same day that Welles informed William Burden from the South American Development Company that he could do little more to help the company, news reached Washington that *El Comercio* had published Welles's memo from January 28 concerning the case, as well as the

[109] "The Ecuadoran Ministry for Foreign Affairs to the American Legation in Ecuador," 7 February 1938.
[110] Sparks to Duggan, 7 February 1938, Central File 1930-39, Box 5690, RG 59, NACP.
[111] Ibid.
[112] Ibid.
[113] Ibid.
[114] "The Ecuadoran Ministry for Foreign Affairs to the American Legation in Ecuador," 7 February 1938.

counterproposals of the company. The article claimed that the Department of State had acted "officiously in the matter," and that U.S. officials had requested the Government of Ecuador to "accept a settlement with the Company."[115] According to Gade, the Ecuadorian government had reprinted in poster form the portion of the article detailing Enriquez's defense of his actions. They then plastered these posters around Quito.[116] On the posters, the Enriquez Administration reiterated its belief that the United States would not want to interfere in Ecuadorian affairs during this era of the Good Neighbor. The General also insisted that "Ecuador is a free and sovereign country and that in no case will foreign intervention be permitted, an act which might justifiably lessen the confidence which the peoples of America have placed in the new international policy of the United States."[117] By questioning the basic tenets of the Good Neighbor Policy, General Enriquez tested U.S. hegemony. He next expanded his challenge beyond the borders of Ecuador by instructing the Foreign Office to explain his position to the Foreign Ministers of all Latin American nations.[118]

As the U.S. representatives prepared to meet with their Latin American counterparts in Lima for the 1938 Conference of American States, this public display by General Enriquez challenged the consensus that U.S. policymakers hoped to achieve. In order to blunt any possible damage caused by Enriquez's communications with Latin American Foreign Ministers, and to shore up a nascent hemispheric solidarity, Welles sent a circular to all U.S. diplomatic officers in Latin America that emphasized the

[115] Gade to Hull, 8 February 1938, Central File 1930-39, Box 5690, RG 59, NACP.
[116] Ibid.
[117] Ibid.
[118] Gade to Hull, 9 February 1938, Central File 1930-39, Box 5690, RG 59, NACP.

"informal and friendly" actions of U.S. officials concerning the South American Development Company case. Welles argued further that these actions "have been in complete harmony and conformity with the good neighbor policy that seeks, through exchanges of views undertaken in the spirit of understanding the mutual confidence, to prevent the development of situations which might adversely affect the cordial relations among the American Republics."[119] Just as the Ecuadorian government had done, Welles justified U.S. policy not in terms of the particular desires of the United States, but in terms of broader, regional ideals. The State Department instructed diplomatic officers to present the U.S. case to the local foreign minister if it seemed that Ecuadorian officials had already contacted the minister concerning the case. In addition, Undersecretary of State Welles sent General Enriquez a memo in which he expressed his "surprise and disappointment" upon learning of the press release.[120] Welles and others at the Department of State were clearly frustrated with Enriquez's public challenge of their actions at this moment when they were attempting to solidify hemispheric solidarity.

One important element that favored the U.S. position in the negotiations was the fact that General Enriquez did not enjoy the support of all Ecuadorian elites. In a conversation between Undersecretary of State Welles and Ecuadorian Ambassador Colón Eloy Alfaro, Welles emphasized the need for foreign investment in Ecuador. He pointed out that if the Ecuadorian government destroyed the confidence of foreign capital "by the abrogation of contractual obligations in a unilateral manner and by the issuance of

[119] "American Diplomatic Officers in the American Republics," 12 February 1938, Central File 1930-39, Box 5690, RG 59, NACP.
[120] Memorandum, "The Department of State to the Ecuadoran Embassy," 9 February 1938, *FRUS*, 1938 V: 549.

decrees regarded as excessively onerous and discriminatory by foreign interests now operating in the Republic," the government would find it difficult to attract the needed capital.[121] Alfaro agreed completely with this position, and he sent a telegram to his government requesting that they grant the South American Development Company a "sufficient delay" so that Tweedy could discuss the matter with the company's board of directors in New York.[122] Meanwhile in Guayaquil, the publication of the State Department memo and General Enriquez's response seemed to win little favor for the government. According to McDonough, few members of the press seemed to support Enriquez, and the "leading people of Guayaquil" were, he reported, skeptical of the government's position regarding the company.[123] As the engine of the Ecuadorian economy, business elites in Guayaquil were perhaps more attuned to the potential long-term consequences of General Enriquez's actions.

As the controversy continued, a series of events occurred that ended the disagreement between the South American Development Company and the Enriquez Administration. First, on 11 February 1938, Ambassador Alfaro delivered to Welles a communication from his government expressing continued appreciation for the "consistent just procedure" on the part of the United States, "which has invariably been inspired in the ample and American policy of the good neighbor."[124] Yet Ecuadorian officials seemed less impressed with the representatives of the company, whom they suggested had fed the U.S. government "malicious information" by suggesting that the

[121] Welles to Gade, 31 January 1938, Central File 1930-39, Box 5690, RG 59, NACP.
[122] Memorandum of Conversation, 31 January 1938, *FRUS*, 1938 V: 546.
[123] McDonough to Hull, 10 February 1938, Central File 1930-39, Box 5690, RG 59, NACP.
[124] Welles to Hull, 11 February 1938, *FRUS*, 1938 V: 550.

government of Ecuador sought increased revenues.[125] In response, Welles told Hull that, while he appreciated Alfaro's message, it did not "remove the grounds for our disappointment that the Government of Ecuador had so misinterpreted our earlier communication."[126]

Then, an unexpected turn of events occurred. Writing to Duggan and Welles, Sparks indicated that the original note from Welles to Alfaro from January 28, which the Ecuadorian press reprinted, had in fact been mistranslated from English to Spanish. Through a number of mistakes, the Spanish version of the note left the impression that State Department was working with company officials to try and convince the Enriquez government to change its policies.[127]

Despite this confusion, an agreement between the Government of Ecuador and the South American Development Company seemed close at hand. By a February 18 decree, the Government of Ecuador raised the company's gross production tax from six percent to twelve percent while agreeing that the other terms of the original concession would remain unchanged.[128] This doubling of the production tax prompted a new round of negotiations between company representatives and the government that ended with the company agreeing to pay 40 percent of its net profits in taxes, but not the production tax.[129] This agreement did not sit well with the Ecuadorian Congress. Congressmen quickly convinced General Enriquez that, for political reasons, he should not agree to

[125] Welles to Hull, 11 February 1938.
[126] Ibid.
[127] Sparks to Welles, 16 February 1938, Central File 1930-39, Box 5690, RG 59, NACP.
[128] Gade to Hull, 21 February 1938, *FRUS*, 1938 V: 551.
[129] Memorandum of Conversation, 3 March 1938, *FRUS*, 1938 V: 552.

substitute the 12 percent production tax with the 40 percent tax on profits.[130] Accordingly, Enriquez promised Luke and others from the company that if the production tax turned out to equal more than 40 percent of the company's profits, then he would consider modifying the decree.[131] With that, company officials declared that they could take no further action, but they clarified that their compliance did not signify acceptance, since the company still protested the changing of the contract by the government.[132] On February 14, Ambassador Alfaro informed Welles that his government now considered the matter closed.[133]

By the end of March 1938, with the controversy over the South American Development Company over, McDonough felt comfortable writing to Welles saying that "agitation" in Ecuador against foreign capital had "quieted down considerably." Nevertheless, the local press did still carry "from time to time" announcements that the Ecuadorian government would revise the contracts of All America Cables and United Fruit's Compania Bananera del Ecuador.[134] Thus, on April 26, McDonough cabled Secretary of State Hull that General Enriquez had given representatives of All America Cables an ultimatum requesting a $354,000 payment to settle alleged back taxes.[135] If the company did not pay within the allotted forty-eight hours, the government threatened to cut all communications south of its border.[136] Obviously this was something that officials

[130] Memorandum of Conversation, 3 March 1938.
[131] Ibid.
[132] Ibid.
[133] Duggan to Welles, 16 February 1938, Central File 1930-39, Box 5690, RG 59, NACP.
[134] McDonough to Hull, 4 March 1938, *FRUS*, 1938 V: 554.
[135] Ibid.
[136] Gade to Hull, 26 April 1938, *FRUS*, 1938 V: 555.

in Washington wanted to prevent, since it would could communications between the United States and Brazil Uruguay, Argentina, Chile, and Peru, and likely spark protests.[137] As a result, Under Secretary of State Welles met with Ambassador Alfaro the next day to suggest to the ambassador that such an action by Ecuador "was surely not one that could be classified as coming within that practical carrying out of the Good Neighbor policy for which all of the American republics stood."[138] To be more specific, Welles revealed that company officials had informed him that were Ecuador to take such an action, then the company would be forced to move their cables outside of Ecuador' territorial waters, effectively isolating Ecuador from communication with the rest of the continent."[139] Initially, U.S. pressure seemed to have little effect. On April 28, the Foreign Minister told Gade that "in spite of his best efforts," General Enriquez would only extend the deadline to May 2.[140]

As he had done in the case against the South American Development Company, Ambassador Alfaro appeared to support the U.S. position.[141] In his communications with Foreign Minister Bossano, Alfaro charged that the Ecuadorian government had been too rigid in allowing the company only forty-eight hours to comply with its demands.[142] The ambassador also pointed out the unfortunate timing in making these demands at the precise moment when he was trying to convince officials in Washington to help settle the

[137] Gade to Hull, 26 April 1938.
[138] Ibid.
[139] Memorandum of Conversation, 27 April 1938, *FRUS*, 1938 V: 556.
[140] Gade to Hull, 28 April 1938, *FRUS*, 1938 V: 557.
[141] Memorandum of Conversation, 27 April 1938.
[142] Alfaro to Bossano, 2 May 1938, Series G, Comunicaciones Recibidas de la Embajada en los Estados Unidos, MREAH.

border dispute with Peru.[143] Alfaro even went so far as to defend U.S. officials, arguing that they were not questioning the right of the Ecuadorian government to pass such decrees, only the manner in which government officials did so.[144] Faced with mounting pressure from the United States, and from his own Ambassador, General Enriquez began showing signs of his willingness to negotiate. On May 5, Alfaro received instructions from Bossano to tell Welles that the government was interested in settling the dispute with All American Cables, but that the company would not budge concerning the government's original complaints.[145] By May 16, the company and the general had reached a "practical agreement" on all points under discussion which would continue the company's contract for eighteen years.[146]

From 1933 to 1939, officials in the Roosevelt Administration worked to solidify U.S. hegemony in the Western Hemisphere. This was a time of political instability and economic hardship in Ecuador. Attempts to alter the contracts of U.S. business interests operating within Ecuador, whether to maintain political support or to generate revenues, tested the rhetoric of the Good Neighbor Policy. Yet the efforts of Ambassador Alfaro and Ecuadorian congressmen who supported the United States, and distrusted their military leaders, prevented the struggle between the Ecuadorian government and U.S. interests from rupturing U.S.-Ecuadorian relations. Any tensions would soon fade,

[143] Alfaro to Bossano, 2 May 1938.
[144] Ibid.
[145] Bossano to Alfaro, 5 May 1938, Series V, Cablegramas Enviados a la Embajada en los Estados Unidos, MREAH.
[146] Boaz Long to Hull, 19 May 1938, *FRUS*, 1938 V: 559.

however, following the Japanese attack on Pearl Harbor and the entry of the United States into the Second World War.

2. The Early Educational Exchange Programs

Diplomatic negotiations between the United States and the governments of Latin America during the 1930s focused primarily on two issues—relations between U.S. companies operating in Latin America and local governments, and hemispheric solidarity in the face of growing fascist power in Europe and Japan. Both topics had strong ideological underpinnings. The United States attempted to convince its southern neighbors that capitalism and democracy were favorable alternatives to the state-led societies of the Fascists. In this effort, and for the first time in its history, the U.S. government, beginning with the Buenos Aires Convention of 1936, attempted to harness the power of education to convince Latin Americans of U.S. sincerity. Up until this point, educational exchange programs between the United States and the nations of Latin America were small, and run solely by private concerns, such as philanthropies, individual universities, and organizations interested in Pan-Americanism. Policymakers first tested the programs developed in response to the Buenos Aires Convention in Latin America. They then spread these programs to the rest of the world during the Cold War through the Foreign Leader Program and the Fulbright Program. These early programs helped to solidify U.S. hegemony in Latin America, and later in parts of the Third World.

The first inter-American conference, held in Washington, D.C. in 1889, marked the beginning of U.S. government interest in cultural relations with the nations of Latin America.[1] Representatives to the conference discussed the peaceful settlement of

[1] J. Manuel Espinosa, *Inter-American Beginnings of U.S. Cultural Diplomacy, 1936-1948* (Washington, D.C.: Department of State Publication), 7.

disputes, and they explored ways to improve economic relations.[2] Out of that conference came the International Bureau of American Republics, later renamed the Pan American Union and then eventually the Organization of American States.[3] Over the next three decades, officials in Washington and throughout Latin America developed the structural framework for this Pan American system.[4] From an early point, cultural relations were a part of this Pan-Americanism. The fourth inter-American conference, held in Buenos Aires in 1910, dealt specifically with issues of education and intellectual relations.[5] Conferees developed a plan for establishing an interchange of professors and students between the various universities in the hemisphere, with each participating university and government agreeing to pay the costs of the visiting scholars.[6] Officials in Washington, however, were not prepared at this early date to fund such a program—that would have to wait until 1939.

Yet interest in educational exchange programs among the American nations continued to grow thanks to the efforts of intellectual elites working through the Pan American Union. By 1930, American governments and a variety of private organizations had signed over twenty different conventions, treaties and agreements in this effort.[7] The absence of U.S. dollars earmarked for educational exchange did not stop Latin American governments, including the government of Ecuador, from providing their students with exchange scholarships.

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[2] Espinosa, 8.
[3] Ibid., 12.
[4] Ibid., 7.
[5] Ibid., 14.
[6] Ibid., 15.
[7] Ibid., 25

Of course cultural exchanges between the United States and the nations of Latin America were going on well before the U.S. government became involved in funding these projects. The U.S. missionary movement of the Nineteenth Century was one of the most significant early instruments of expanding U.S. ideology in Latin America and elsewhere—in this case evangelical Protestantism as opposed to democracy and free-market capitalism which underlay later efforts.[8] As part of this movement, missionary organizations sponsored the sending of Latin American children to the United States for Christian educations, just as during the period under study here Latin American students came to the United States to further their educations in a variety of mostly secular disciplines.[9] Later, the experiences of World War One inspired the creation of a number of private organizations dedicated to increasing international cultural understanding. U.S. educators formed the Society for American Fellowships in French in 1915, for example, and in 1918, the Association of American Colleges began funding a program French schoolgirls who wanted to study in the United States.[10] The extreme nationalism unleashed by the First World War convinced some intellectual elites that promoting cross-cultural understanding could perhaps lessen the likelihood of future wars.

Of more direct relevance to the current study, however, was the Institute of International Education (IIE). Founded in 1919 by Nicholas Murray Butler (President of Columbia, and a founding trustee of the Carnegie Endowment for International Peace), Elihu Root (former Secretary of War and of State, as well as a fellow Carnegie trustee),

[8] Liping Bu, *Making the World Like Us: Education, Cultural Expansion, and the American Century,* (Westport, CT: Praeger, 2003), 15.
[9] Ibid., 18.
[10] Ibid., 52.

and Stephen P. Duggan (professor of government and international relations at City College of New York, and father of Laurence Duggan who was highly influential in U.S.-Latin American relations throughout the Roosevelt Administration), IIE staff initially focused on administering fellowships for foundations and governments. They offered their professional services and expertise to organizations engaged in international educational activities.[11] They also provided educational information for U.S. students going abroad, and for foreign students coming to the United States. The contacts and methods developed by Stephen Duggan and his staff at IIE greatly influenced later governmental programs, particularly their abiding faith in the ability of education to cultivate "international mindedness," and to offset the "irrational nationalism" bred by programs of national education that, many of the IIE founders felt, had led to war.[12] For Duggan and some of his contemporaries, education was a means of promoting both social progress and peaceful change. While this faith in the power of education to improve cross-cultural understanding, which in turn would promote global peace, underlay the exchange programs developed by the U.S. government explored here, the material realities of these programs often trumped this lofty ideology.

Developing the framework supporting the exchange programs between the United States and the nations of Latin America became the responsibility of the delegates to the Conference for the Maintenance of Peace held, in Buenos Aires in December 1936. The resulting Buenos Aires Convention marked the beginning of direct involvement by the

[11] Bu, 53.
[12] Ibid., 55.

U.S. government in the educational exchange programs that had been going on for decades. Facing the growing power of Axis Forces in Europe, hemispheric discord in the form of border disputes between Colombia and Peru, Ecuador and Peru, and Bolivia and Paraguay, and growing economic nationalism as explored in the previous chapter, the Pan American unity envisioned by some throughout the hemisphere seemed in jeopardy.[13]

Compounding this problem, communications from various U.S. diplomatic missions in Latin America—including from Ecuador—noted the growing efforts of the German, Italian, and Japanese governments to increase their cultural, military, and economic presence in the region.[14] As the title of the conference suggested, delegates to the Buenos Aires conference hoped to establish a system to settle international disputes peacefully. Due to recent events, such as the failure of the League of Nations to stop the Italian invasion of Ethiopia, the architects of the Buenos Aires Convention realized that simply establishing international systems charged with the maintenance of peace was not enough. Public support to utilize these systems was also necessary. Convincing the peoples of the Hemisphere of the necessity for greater cooperation, then, became a central goal of the delegates gathered at Buenos Aires. Delegates singled out promoting closer cultural relations through educational exchange as one of the most effective ways to create this regional consensus.

Of the many U.S. proposals for the conference, one, "Facilitation by Government Action of the Exchange of Teachers and Students Between the American Republics,"

[13] Samuel Guy Inman, *Inter-American Conferences 1826-1954: History and Problems,* (Washington, D.C.: The University Press of Washington D.C., 1965), 160.
[14] Espinosa, 79.

(eventually renamed the "Convention for the Promotion of Cultural Relations") is of special importance for the present study.[15] Working closely with Stephen Duggan at IIE, and Dr. Leo S. Rowe, who was the Director General of the Pan American Union, Undersecretary of State Sumner Welles and Laurence Duggan from the Division of Latin American Affairs developed the proposal.[16] All involved agreed that the program should focus only on recent graduates and teachers because they would be "the best interpreters of the ideals and civilization of the United States."[17] This desire to train current and future leaders from Latin America in the "ideals and civilizations" of the United States, as well as in more practical matters, remained constant throughout the evolution of the educational programs examined in this study. In the majority of these programs, officials expected exchangees to use the knowledge that they learned in the United States to convince their fellow countrymen of the benefits of the American "way of life" once they returned home.

The educational exchange programs begun under the Buenos Aires Convention represented efforts by elites in Washington, and pro-U.S. elites in Latin America and the Third World, to convince peoples outside of the United States of the benefits of the U.S. system. By training leading students, workers and government employees, officials designed these programs to stimulate greater U.S. investment in the industries and organizations in these nations by "preparing" their leaders in the methods used in the United States. It would take a full three years before the first exchange programs called

[15] Espinosa, 82.
[16] Ibid., 80.
[17] Ibid., 81.

for under the Buenos Aires Convention were up and running. Getting to that point depended on the efforts of a dedicated group of U.S. officials and their counterparts in Latin America, all of whom believed in the potential of educational exchange to increase hemispheric solidarity.

The impact of education on U.S.-Ecuadorian relations was already visible as early as 1931. That year, Ambassador William Dawson argued that "the most effective cultural contact between the two countries is furnished by the increasing number of Ecuadorans educated in American schools and universities."[18] Ecuadorians who had received their academic or technical education in the United States were said to be working in "most of the Government departments" in Ecuador.[19] Dawson described these men as "warm admirers" of the United States, and he concluded that the continued education of Ecuadorians in the United States was one of the most significant "factors of a nature to influence friendly relations." Prior to the Buenos Aires Convention of 1936, the majority of these Ecuadorians likely either paid for their own education in the United States, or they received fellowships, either from the Ecuadorian government, or from the various Universities and philanthropic organizations participating in Pan American educational exchange. In 1930, for example, Harvard University announced the formation of a trust to fund scholarships for Latin American students interested in studying international law at the Harvard Law School.[20]

[18] Dawson to Stimson, 7 August 1931, Central File 1930-39, Box 5679, RG 59, NACP.
[19] Ibid.
[20] Homero Viteri Lafronte to Gonzalo Zaldumbide, 13 May 1930, Series C, Comunicaciones Recibidas de la Embajada en los Estados Unidos, MREAH.

Developing a consensus on aspects of international law became a growing concern for U.S. officials running the exchange programs in their efforts to solidify U.S. hegemony in the Third World. In 1932, U.S. policymakers invited governments throughout Latin America to send representatives to the Pan American Student Conference to at the University of Miami.[21] The following year, the Carnegie Endowment for International Peace offered their own scholarships for exchange students to study International Law during the 1934 to 1935 academic year.[22] Before 1936, however, officials in Washington were more interested in the state of education in Latin America than in the funding of exchange programs.

In 1930, Ambassador Dawson submitted a report to Secretary of State Henry Stimson in which he analyzed the educational system of Ecuador.[23] The ambassador provided details on the number of kindergartens, primary schools, secondary schools and institutions of higher education in Ecuador, along with the numbers of students enrolled and attending each school. He also pointed out that four Ecuadorian students were currently studying abroad on scholarships—two in Germany, one in Belgium, and one in the United States. By 1931, this number had jumped to nine students—three in the United States, two in Germany, two in France, one in Belgium, and one in Switzerland—each of whom had received scholarships from the government of Ecuador. In addition to those Ecuadorians studying in the United States with the financial assistance of their

[21] Zaldumbide to Larrea, 24 January 1932, Series C, Comunicaciones Recibidas de la Embajada en los Estados Unidos, MREAH.
[22] Alfaro to Quevedo, 25 November 1933, Series C, Comunicaciones Recibidas de la Embajada en los Estados Unidos, MREAH.
[23] Dawson to Stimson, 23 September 1930, Central File 1930-39, Box 5679, RG 59, NACP.

government, the two sons of the Ecuadorian Ambassador to the United States, Colon Eloy Alfaro, applied for admittance to West Point. A West Point alumnus himself, Alfaro hoped that the U.S. Congress would grant his sons entry—permission that Congress indeed granted in July 1934.[24] The number of embassy reports on the state of education in Ecuador increased dramatically in 1934 during the first administration of Velasco Ibarra.

In September 1934, the Senate called on the new Minister of Education in Ecuador, Antonio Parra Velasco, to answer questions about rumors that he, under the direction of President Velasco Ibarra, was dismissing officials in his ministry because of their "radical tendencies" and replacing them with conservatives.[25] Officials in the United States monitored closely any Velasco Ibarra administration for signs of radical behavior. Officials in Washington warmly embraced Dawson's report that the new president was replacing radicals with conservatives.[26] Parra also introduced several changes that he and Velasco Ibarra hoped to implement, including a proposal for an Ibero-American Congress in Quito to discuss common problems in education in Latin America. Parra argued that the current educational systems tended to create "antagonistic nationalities," when they should instead focus on preparing "Ibero-American citizens."[27] U.S. officials were therefore not the only ones thinking about regional solidarity during this time of economic crisis. Ultimately, however, Duggan, Welles, and others involved in

[24] Carbo to Navarro, 26 December 1933, Series C, Comunicaciones Recibidas de la Embajada en los Estados Unidos, MREAH.
[25] Dawson to Hull, 15 September 1934, Central File 1930-39, Box 5679, RG 59, NACP.
[26] For an excellent discussion of Velasco Ibarra as populist see, Carlos de la Torre, *Populist Seduction in Latin America: The Ecuadorian Experience* (Athens: Ohio University Center for International Studies, 2000).
[27] Dawson to Hull, 15 September 1934.

establishing the educational exchange programs would push for hemispheric solidarity. This solidarity challenged the regionalism promoted by Velasco Ibarra during several of his administrations, a practice that officials in Washington at times interpreted as a challenge to U.S. hegemony.

While some of the Ecuadorian Senators found Parra's proposals "premature and useless," their discontent remained largely contained within the Senate walls.[28] When President Velasco Ibarra and Minister Parra later suggested that Central University in Quito—the premiere institution of higher learning in Ecuador—needed to be reformed, however, their resistance became more public.[29] By October 1934, rumors were circulating in Quito that the president was preparing to combat "radical propaganda and influence" in the national school system, beginning with Central University.[30] According to Dawson, Velasco Ibarra and his education minister felt that propaganda and politics dominated the university, and that it lacked a "serious and scientific educational orientation."[31] In response to the rumors, the student council issued a manifesto strongly condemning any such move by the government, and declaring Velasco Ibarra an "enemy of the student class."[32] A few weeks later, authorities at the university decided to reorganize themselves to avoid direct government intervention.[33]

[28] Dawson to Hull, 15 September 1934.
[29] Dawson to Hull, 1 October 1934, Central File 1930-39, Box 5679, RG 59, NACP.
[30] Ibid.
[31] Dawson to Hull, 4 December 1934, Central File 1930-39, Box 5673, RG 59, NACP.
[32] Dawson to Hull, 2 November 1934, Central File 1930-39, Box 5673, RG 59, NACP.
[33] Dawson to Hull, 8 December 1934, Central File 1930-39, Box 5679, RG 59, NACP.

Reform was slow in coming, however, and by December Velasco Ibarra and Minister Parra had tired of waiting.[34] The president and his minster faced resistance from the university students and faculty, and from the Senate, where an opposition measure granting Congress, and not the president, the power to close universities was only narrowly defeated. Despite this pressure, both Velasco Ibarra and Parra issued statements that they were ready to proceed since the reorganization attempted by the faculty in November had only furthered the disorder.[35] Protesting the forced replacement of the university rector, the Socialist Dr. Luis Felipe Chavez Obregon, as well as a number of faculty members, a group of students seized the university and held off the police until the next day. In response, Velasco Ibarra promptly shut down the university. As for opinion outside the university, Ambassador Dawson reported that "in general, most impartial persons appear to feel that the re-organization of the University is to be welcomed and will tend to improve educational standards and restore discipline which has suffered as a result of the growing influence of radical elements."[36] While officials in the United States might not have agreed with the closing of the university by the president, they certainly welcomed the news that Ecuadorians in general supported his efforts to stamp out student radicalism.

Despite these struggles over university reform, Velasco Ibarra continued his push to reform the primary schools in Ecuador by issuing Decree 53 on 3 April 1935.[37] One feature of the decree was the proposal for the establishment of an Ibero-American school

[34] Dawson to Hull, 4 December 1934.
[35] Dawson to Hull, 8 January 1935, Central File 1930-39, Box 5673, RG 59, NACP.
[36] Dawson to Hull, 8 December 1934.
[37] Gonzalez to Hull, 29 May 1935, Central File 1930-39, Box 5679, RG 59, NACP.

designed to promote the "aggrandizement and solidarity" of all Lain American republics.[38] Pedagogically, Velasco Ibarra designed his reforms to train students to be critical thinkers, and to instill in them a sense of citizenship and social responsibility.[39] This was a direct challenge to the traditional approach to education in Ecuador, which, according to the president, suffered from an overemphasis on theory, and a lack of attention to civic responsibility and Ecuadorian culture.[40] Students in the newly transformed schools would split their learning between courses dealing with "social functions," and "intellectual" courses. Functional classes covered topics such as agriculture and manufacturing, with an emphasis on whatever their particular region of Ecuador needed the most. Intellectual courses would then cover topics such as civic culture, voting, public spirit, and responsible administration, instead of teaching what Velasco Ibarra considered the "accidental details" of previous curricula.[41] Together these functional and intellectual courses would create the good citizens envisioned by Velasco Ibarra. Thus, just as President Velasco Ibarra oversaw Ecuadorian admission into the League of Nations, so too did he think multilaterally when it came to education. This mattered little for now, however, as the military moved in to oust Velasco Ibarra. From his removal from office to at least 1939, educational issues in Ecuador took a back seat to politics and the economy.

Back in the United States, officials in Washington prepared for the upcoming Inter-American Conference in Buenos Aires. In a memo to the Commissioner of the

[38] Gonzalez to Hull, 29 May 1935.
[39] Ibid.
[40] Ibid.
[41] Ibid.

Department of the Interior J.W. Studebacker, Sumner Welles announced the provisions of a convention for the establishment of a professor and student exchange program between the nations of Latin America and the United States.[42] Arguing that strengthening cultural relations through educational exchanges was "highly important," Welles informed Studebaker that the Office of Education would be responsible for the technical details of the program. Building on the themes of fostering a sense of common identity through education, which Latin American elites such as Velasco Ibarra had already raised, the proposed convention contained a resolution dealing with the subject of inter-American youth education. The goal was to create an inter-American citizenship educational section, or a youth friendship laboratory, under the direction of the Pan American Union.[43] The proposed program would operate in connection with the local school system of each country, but operate independently of the national curriculum.[44] Thus, where Velasco Ibarra had championed a common Ibero-American identity, creators of the Pan American program wanted to create a broader hemispheric identity through education. Developing this shared identity was a critical part of the long-term goal of establishing U.S. hegemony in Latin America.

Fostering greater mutual understanding among the peoples of the Americas through the Treaty for the Exchange of Students presented by the United States at Buenos Aires marked the beginning of an increased attention to cultural affairs in the conduct of

[42] Studebaker to Welles, 28 July 1936, Central File 1930-39, Box 52, Office Files of the Commissioner of Education 1939-80, Entry 122(A1), RG 12, NACP.
[43] Carlos Mantiga Ortella to Angel Isaac Chiriboga, 18 May 1936, Series C, Comunicaciones Recibidas de la Embajada en los Estados Unidos, MREAH.
[44] Ibid.

U.S. foreign policy in Latin America. Yet with the deepening political and economic crisis in Ecuador, the Ecuadorian Government did not immediately ratify the Buenos Aires Convention. Despite this delay, Ecuadorians continued to study in the United States thanks to fellowships granted by their government. In 1938, for example, Dr. Gonzalo Abad received a three year scholarship to study pedagogy at Columbia University, and the Ecuadorian government awarded to Ana Bertina Calderon a two year pension to study the development and organization of U.S. Kindergartens.[45] Thus some educational reform in Ecuador continued well after Velasco Ibarra left office. That same year, Francisco Duedas Estrada received a Government of Ecuador pension to study engineering at the University of Southern California.[46] As noted by Gade, government officials also received fellowships to continue their education in the United States. This was the case with Carlos M. Teran, who worked in the Publications Division of the Foreign Ministry. Teran received an "allowance" to study pedagogy at the University of California, which had offered him a scholarship.[47] This focus on practical subjects such as engineering and education remained constant as the U.S. government-funded educational exchange programs expanded.

Two Ecuadorian grantees deserve special mention in connection with this focus on practical subjects. The first was Luis Eduardo Laso, the Chief of the Statistical Section of the Ecuadorian Central Bank.[48] The government of Ecuador sent Laso to the United States so that he could study economics and finance at the University of Southern

[45] Dade to Hull, 10 February 1938, Central File 1930-39, Box 5059, RG 59, NACP.
[46] Gade to Hull, 16 February 1938, Central File 1930-39, Box 5059, RG 59, NACP.
[47] Long to Hull, 6 August 1938, Central File 1930-39, Box 5059, RG 59, NACP.
[48] Long to Hull, 23 September 1939, Central File 1930-39, Box 5059, RG 59, NACP.

California. In addition to his "theoretical studies," Laso hoped to have the opportunity to inspect the accounting systems at some of the federal offices located near the university.[49] Following a special request from Foreign Minister Tobar Donoso, in which the minister indicated that his government had chosen the United States for Laso's training because "studies of this nature" had reached a "high degree of perfection" in U.S. universities, Cordell Hull contacted the chairman of the Board of Governors of the Federal Reserve system to see if Laso could conduct his study at the San Francisco branch.[50] Ever since the Kemerer Missions in Latin America during the early 1920s, U.S. officials had at times sought to influence developments in the economies of the nations of Latin America.[51] This tradition continued under the exchange programs as economists and officials responsible for the development of national economic policies traveled to the United States for further training.

As with Laso, officials singled out Carlos Romo Davila, an Ecuadorian professor of Education, as an important grantee. Davila was coming to the United States to study U.S. educational institutions "in order to evaluate their practicability for Ecuadorean students."[52] Davila pointed out that there had been two German pedagogical missions to Ecuador in the past which had established the local normal school, and provided the

[49] Long to Hull, 23 September 1939.
[50] Ibid.
[51] For a discussion of the ideological underpinnings of the Kemmerer Missions and other efforts to export U.S. financial ideas to Latin America see, Emily S. Rosenberg, *Financial Missionaries to the World: The Politics and Culture of Dollar Diplomacy, 1900-1930* (Durham: Duke University Press, 2003). For the Kemmerer Mission in Ecuador specifically see, Paul W. Drake, *The Money Doctor in the Andes: The Kemmerer Mission, 1923-1933* (Durham: Duke University Press, 1989).
[52] Long to Hull, 29, September 1939, Central File 1930-39, Box 5679, RG 59, NACP.

"policy and ideals now being followed" by schools in Ecuador.[53] Officials in the United States, along with pro-U.S. elites in Ecuador, would eventually challenge the German schools established by these earlier missions by opening an American School in Quito in 1940. At this point, though, Davila hoped to address the current mindset in Ecuador that considered the U.S. model of education to be inapplicable to the Ecuadorian context.

In 1939, officials in Washington were still working on the structural framework for the exchange programs called for in the Buenos Aires Convention of 1936. Serving as the connecting point for the various organizations involved in this effort, officials at the Department of State, and the Office of Education hoped to encourage increased participation from the private sector. As the head of the Division of Cultural Relations in the Department of State, Dr. Benjamin Cherrington, put it, the success of the exchange programs depended on the cooperation of private institutions and individuals already engaged in these activities since "it is not adequate for governments alone to carry on this work—it is necessary for the people themselves to participate."[54] Harnessing the experience of private institutions that had long been involved in educational exchange rather than starting from scratch would help improve efficiency—a growing concern as Fascist victories in the war mounted. In addition, the officials in Washington who worked on the program were, according to Cherrington, "convinced of the futility, even the absurdity of the export of culture by any government." The State Department therefore endeavored to "stimulate the work of the people themselves and their private

[53] Long to Hull, 29, September 1939.
[54] Margaret Clark to Ben Cherrington, 12 July 1939, Central File 1930-39, Box 4393, RG 59, NACP.

institutions."[55] Much like the ideological battles between the United States and the Soviet Union during the Cold War, the establishment and maintenance of U.S. hegemony during World War Two depended in part on convincing Latin Americans that the ideologies underlying U.S. foreign policy were superior to those of the fascist nations.

While diplomats negotiated economic policy, those involved in educational exchange focused on the broader ideological concerns of anti-fascism. One common theme in this effort to discredit Fascism and Communism was to contrast the state-run nature of these systems with the independence and liberty ostensibly enjoyed by citizens living in democracies. Doing so required the cooperation of organizations operating outside of the federal government. Many in the private sector welcomed this approach. James Grafton Rogers from Yale, for example, argued that "the financial resources, if things are wisely and quietly conducted, will materialize chiefly…from non-Government sources. Government funds are always bound up with political considerations, tagged with them, and they are dangerous and disabling."[56] By partnering with private organizations, officials in Washington hoped "quietly" to develop and fund programs that would champion democracy without appearing to be state-run.

Attempting to secure this cooperation, Cherrington met with a number of leaders in the field of educational exchange in New York City in 1939.[57] In meetings with directors and representatives from IIE, International House, the Committee on Friendly Relations Among Foreign Students, the Spelman Fund, the Rockefeller Foundation, and

[55] Clark to Cherrington, 12 July 1939.
[56] Ibid.
[57] "Memorandum of Dr. Cherrington's Visit to New York March 20-21," 22 March 1939, Central File 1930-39, Box 4693, RG 59, NACP.

the Western Newspaper Union, Cherrington surveyed the work done by these private institutions, each of which had significant experience in educational exchange. In his conversations with Stephen Duggan, Duggan reported that IIE had awarded thirty-five scholarships to Latin American students that year. Duggan and the rest of the individuals consulted all seemed to agree that expanding exchange programs with the nations of Latin America was an important and worthwhile endeavor. They promised to cooperate with Washington in increasing their programs under the Buenos Aires Convention.

Later that same year, Cherrington, along with leading educators from California—including one of the pioneers of Latin American Studies, Dr. Herbert Bolton—attended a conference at the International House chapter in Berkeley. After discussing the partnership between the Department of State and the private organizations, Cherrington listened as the intellectual elites gathered at the meeting presented their own views on the connections between educational exchange and foreign policy. Unlike the meetings in New York, where it seemed obvious to Cherrington that some of the exchange programs of the various organizations were in early stages of development, the progress in California appeared to be greater. Dr. Bolton, for example, argued that there was no "lag in Hispanic American studies" at the University of California, where enrollment in Latin American history courses was "very large."[58] Professor Rudolph Schevill, the Chairman of the Department of Spanish at Berkeley, however, expressed some doubt about the

[58] "Memorandum of Dr. Cherrington's Visit to New York March 20-21," 22 March 1939.

usefulness of student exchanges. In his experience "only the specialists in language have sufficient knowledge to make such exchanges useful."[59]

The issue of language surfaced repeatedly. If Latin American students were to make the most of their time in the United States, and vice versa, a strong command of English and Spanish was necessary. This was one of the primary reasons for the establishment of the American School of Quito in 1940, and for the expansion of English language courses offered at various schools and cultural centers throughout Ecuador. To offer a Latin American perspective on the issue, Dr. Maame Amanda Labaroa of the University of Chile reported that this meeting left her hopeful that greater understanding could be achieved. But she also cautioned that a program that simply offered exchange grants to all Latin American students might actually discourage applicants because Latin America was so large, and the countries so varied.[60] She suggested instead that it would be better to tailor programs for each individual country—a suggestion that would soon be followed by policymakers in Washington.

In order to start implementing their plans with individual countries, officials at the Department of State circulated a memo from Secretary of State Hull to all of the U.S. missions in Latin America asking for detailed information about the state of higher education in each country.[61] Ecuador was not the only Latin American country where striking students prompted worry in Washington. Policymakers needed to know more about Latin American students in order to address this population successfully. Citing an

[59] "Memorandum of Dr. Cherrington's Visit to New York March 20-21," 22 March 1939.
[60] Clark to Cherrington, 12 July 1939.
[61] "Institutions of Higher Learning," 29 June 1939, Central File 1930-39, Box 4683, RG 59, NACP.

"increasing demand" in the United States for this information, policymakers asked diplomatic field officers to report on the housing arrangements, the size of the student body and the number of full-time professors for each university in their assigned country.[62]

The report from Ecuador focused on the University of Guayaquil, but American Vice Consul Frederick L. Royt argued that the numbers were similar at other Ecuadorian universities. Royt pointed out that the three main universities in Ecuador did not provide housing; the majority of the students lived in the cities where universities were located (Guayaquil, Cuenca and Quito). There were no fulltime professors in Ecuador. Instead, "professional men" from various fields devoted part of their time to teaching.[63] As for the student body, Royt wrote that for 1938 to 1939, 610 students (499 men and 111 women) attended the university in Guayaquil, while from 1939 to 1940, that number dropped to 534 (434 men and 100 women.)

By August 1939, officials at the State Department happily announced that they had received congressional appropriations to begin the exchange programs agreed to at Buenos Aires three years earlier. A few months later, the Department of Education submitted its report on the actions taken up to this point in establishing the program.[64] Officials at the department had sent information leaflets to the U.S. embassies and consulates in Latin America, explaining the program to 976 colleges, universities and

[62] "Institutions of Higher Learning," 29 June 1939.
[63] Royt to Hull, 2 August 1939, Central File 1930-39, Box 4683, RG 59, NACP.
[64] "Convention for the Promotion of Inter-American Cultural Relations," 23 August 1939, Central File 1930-39, Box 5059, RG 59, NACP.

professional schools, as well as to 117 educational associations and organizations.[65] The report indicated that staff had sent out 1,601 information leaflets concerning exchange professorships, along with 250 application blanks, as well as 1,833 leaflets and 503 application blanks concerning student exchange fellowships. By advertising the opportunities for study in the United States, Cherrington, Laurence Duggan and others hoped to expand participation in their fledgling government-sponsored exchange programs. By the end of the year, the State Department had received nineteen applications for exchange professorships, along with thirty-four for student exchange fellowships.[66]

That same year, word reached Washington that the Government of Ecuador was looking abroad to contract a pedagogical mission to reorganize the normal and rural schools of the country.[67] Government representatives had already contacted the governments of Germany, Belgium, and Spain. Secretary of State Hull urged that these representatives contact Stephen Duggan, or someone at Columbia Teacher's College. As with other fields, U.S. officials hoped to provide the model when Latin American elites contemplated reforming their national educational system. At the same time, the Ecuadorian government still had not ratified the Buenos Aires Convention. Ambassador Long thus met with Foreign Minister Tobar Donoso to suggest the importance of ratification.[68] The minister explained that his government considered the idea to be an "excellent" one, but that they could do nothing about ratification until after the

[65] Fred J. Kelly to Cherrington, 3 November 1939, Central File 1930-39, Box 4694, RG 59, NACP.
[66] Ibid.
[67] Long to Hull, 11 May 1939, Central File 1930-39, Box 5679, RG 59, NACP.
[68] Long to Hull, 22 September 1939, Central File 1930-39, Box 5059, RG 59, NACP.

educational institutions, "which were summarily closed some months ago," were again functioning normally.[69] This does not mean that Ecuadorian elites ignored education. The political and economic chaos kept these elites busy throughout the 1930s. In the decades that followed, however, education would come to play a more important role in U.S.-Ecuadorian relations as U.S. elites in Washington, and pro-U.S. elites in Ecuador, expanded the opportunities for the current and future leaders of Ecuador to participate in the world-system promoted by Washington.

From 1933 to 1939, U.S. officials and their counterparts in Latin America laid the foundation for increased cultural interaction through the establishment and funding of educational exchange programs. The Buenos Aires Convention of 1936 marked a significant turning point in this development. For the first time, officials in Washington created government agencies in the United States to coordinate a number of private exchange efforts, many of which had been in operation since World War One. Over time, policymakers expanded and refined these programs in order to meet new challenges to U.S. hegemony. Yet from 1939 to 1963, a fundamental belief underlay all of these programs—that exposure to a U.S. or U.S.-styled education would increase the cooperation and consent needed to support U.S. hegemony in Latin America, and the Third World.

[69] Long to Hull, 22 September 1939.

II. Hemispheric Solidarity, 1940-1948

3. Military Bases and Anti-Fascism

On 12 December 1941, thirty-five U.S. Marines left for Ecuador to establish bases on Seymour Island in the Galápagos and in the coastal town of Salinas.[1] Japan had recently bombed Pearl Harbor, and officials in Washington wanted to defend the Panama Canal from Japanese attack. Soon after the assault on Pearl Harbor, the president of Ecuador, Dr. Carlos Alberto Arroyo del Rio, offered to the United States the use of this Ecuadorian territory. Ecuadorian elites who wanted to strengthen the U.S. presence in Ecuador, and to remove from Ecuador all fascist influences—businesses, schools, military missions, and even private individuals—supported Arroyo del Rio's decision. Policymakers replaced the German airline SEDTA with Pan American Airways, while they sent Germans living in Ecuador and suspected of Nazi connections to work-camps in the United States.[2] Ecuadorian officials also forced Ecuadorian students attending a local school established by a Spanish pedagogic mission to transfer to the American School of Quito, which Ecuadorian elites who wanted to provide their children with an education modeled on the United States had founded. As the United States entered World War Two, some Ecuadorian elites supported the geo-strategic, economic, and ideological imperatives of Washington, thus helping to secure U.S. hegemony in Latin America. The establishment of U.S. bases in the Galápagos and Salinas was an integral part of this process.

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[1] Jorge W. Villacres Moscoso, *Historia Diplomatica de la Republica del Ecuador*, tercer tomo (Guayaquil, Ecuador: EQ. Editorial, 1989), 269.

[2] The story of Germans deported by governments throughout Latin America is told by Max Paul Friedman in *Nazis and Good Neighbors: The United States Campaign Against the Germans of Latin America in World War II* (Cambridge, UK: Cambridge U.P., 2003)

In the capital city of Quito at least, few Ecuadorians protested President Arroyo del Rio's decision to invite U.S. troops to occupy parts of their territory. This acquiescence was due in part to the relatively secret nature of the original agreements that established the two bases. This secrecy would not last, however. Public pressure against the Arroyo del Rio Administration mounted following the 1942 Rio Conference, and the ratification of the Rio Protocol which ended for the time being the border war between Ecuador and Peru by ceding to Peru a large portion of Ecuadorian territory. Many Ecuadorians—including military officers who felt slighted by Arroyo del Rio—blamed the administration for this loss, and thus, in 1944, a revolution led by Velasco Ibarra ousted President Arroyo del Rio. The new administration immediately began to negotiate with the United States over the future of the U.S. presence at the bases once the war ended. These negotiations dragged on for years as policymakers from the United States and Ecuador each attempted to maximize benefits for their nation. In the end, neither side was able to secure all that it desired, and in 1948, all U.S. military personnel withdrew from the bases.[3]

The establishment of U.S. military bases on Ecuadorian soil is an overlooked episode from the Good Neighbor era. Under the leadership of President Franklin D. Roosevelt, Washington attempted to solidify U.S. hegemony in the hemisphere by eschewing traditional U.S. policies of armed intervention. In this process, U.S. officials relied on the cooperation of Latin American elites. The use of coercion alone would have

[3] The Salinas base was turned over to the Ecuadorian government in 1946. This chapter will focus primarily on the Galápagos base since negotiations over its return more fully reveal the hegemonic process at work.

been impossible. As one sign of their consent, elites from ten other Latin American nations joined President Arroyo del Rio in offering portions of their territory to the U.S. military for the establishment of air and naval bases.[4]

This chapter analyzes the coercion and consent involved in maintaining U.S. hegemony in Latin America from 1941-1948 by exploring the negotiations involved in the construction and eventual dismantling of the U.S. military bases in Ecuador. Prior to the attack on Pearl Harbor, Ecuador and most of the other nations in Latin America had agreed at the Lima Conference of 1938 to support the United States, and to defend the Western Hemisphere from outside attack. While the U.S. war effort depended in large part on primary resources obtained from Latin American nations, by 1944, poorly performing economies throughout the region sparked domestic disturbances against administrations considered too closely aligned with the United States. In Ecuador, the Arroyo del Rio administration came to an abrupt end in part because of public perceptions regarding his ties to the United States. Yet some elites in Latin America remained convinced that the ideologies and policies promoted by Washington were the best available solution to their country's problems.

As officials in Washington debated the shape of the postwar world, some Ecuadorian elites attempted to secure visible and long-lasting support from the United States in order to offset growing domestic pressures. The establishment of U.S. bases on Ecuadorian territory marks a significant moment in this process, and in the history of the

[4] Villacres Moscoso, *Historia Diplomatica*, 132.

relations between Ecuador and the United States.[5] More than the actions taken against German businesses and individuals operating and living in Ecuador, the offer to allow a foreign military to establish bases on Ecuadorian territory clearly demonstrated the consent of some Ecuadorians to U.S. policy. While policymakers from other Latin American nations worried about U.S. imperialism, the government of Ecuador was more concerned about Peruvian imperialism. This fear has deep roots in Ecuadorian history. From the 1830s to 1995, Ecuador and Peru fought periodic border wars. The original agreements dissolving Gran Colombia did not clearly mark the boundaries between Ecuador and its neighbors. The border dispute with Peru proved to be the longest lasting of Ecuador's border wars, and it was fresh in the minds of Ecuadorian elites when World War Two erupted. State Department officials had to work to persuade the government of Ecuador to send representatives to the 1938 Inter-American Conference held in Lima, Peru due to the animosity between the two nations. As Hitler marched across Europe, and the United States prepared to enter the war, Ecuadorian policymakers began suggesting to their counterparts in Washington that it establish a base on the Galápagos in order to protect the Panama Canal.

The negotiations between Ecuadorian and U.S. policymakers that resulted in the establishment, and later the dismantling, of the bases reveal the coercion and consent

[5] U.S. scholars have largely ignored this episode, though there are passing references in some of the general studies of U.S. foreign policy such as Stephen E. Ambrose's *Rise to Globalism: American Foreign Policy, 1938-1980* (New York, NY: Penguin Books, 1980). There are two works that are more detailed by Ecuadorian historians: Alfredo Luna Tobar, *Historia Politica Internacional de las Islas Galápagos* (Quito, Ecuador: Ediciones Abya-Yala, 1997); Jorge W. Villacres Moscoso, *Historia Diplomatica de la Republica del Ecuador* tercer tomo (Guayaquil, Ecuador: EQ Editorial, 1989). Both of these valuable studies, however, rely heavily on press reports and oral interviews and contain little analysis of the official documents from either Ecuador or the United States. Ronn Pineo's *Ecuador and the United States: Useful Strangers* (2007) provides the most recent and detailed account of the Galápagos base.

involved in maintaining U.S. hegemony in Latin America. During these negotiations, Ecuadorian officials constantly reminded U.S. officials of the "selfless" manner in which they had offered Ecuadorian territory to the United States in the hopes of securing economic aid from the United States. U.S. officials, on the other hand, realized that any aid could influence domestic political struggles in Ecuador, and so they took advantage of divisions within Ecuadorian politics when they could in order to try and secure a long-term lease on the Galápagos base at the lowest possible cost.

U.S. interest in the Galápagos Islands did not begin with the Japanese attack on Pearl Harbor. In 1854, the governments of Ecuador and the United States ratified an agreement for the exploitation of guano found on the islands, which the booming fertilizer industry in the United States needed.[6] As part of the agreement, the United States pledged to defend the islands from any outside attacks that might threaten the industry or its Ecuadorian workers.[7] In 1910, during the second administration of Eloy Alfaro, the governments of Ecuador and the United States began negotiating the sale of the Galápagos Islands to the United States due to their strategic importance and proximity to the Panama Canal, which was then under construction. Negotiations broke down, however, in January 1911 due to mounting Ecuadorian protests against the possibility of a U.S. lease on the islands.[8] While anti-Americanism periodically surfaced in Ecuador throughout the 1920s and1930s, the Japanese attack on Pearl Harbor brought a temporary respite. The government of Ecuador now clearly aligned itself with the Allies, and

[6] Alfredo Luna Tobar, *Historia Politica Internacional de las Islas Galápagos* (Quito, Ecuador: Ediciones Abya-Yala, 1997), 363-367.
[7] Villacres Moscoso, *Historia Diplomatica*, 22.
[8] "To Drop Galápagos Lease," *New York Times* (30 January 1911): 5.

demonstrated its allegiance to the principles of democracy and capitalism as championed by the United States.

On 8 December 1941, Foreign Minister Julio Tobar Donoso sent instructions to Colón Eloy Alfaro—Ecuadorian Ambassador to Washington, D.C., and son of the former president and liberal revolutionary, Eloy Alfaro—asking him to express to U.S. policymakers the sincerest regrets of Ecuador for the Japanese attack on Pearl Harbor. Tobar Donoso also instructed the ambassador to assure U.S. officials of the willingness of the Ecuadorian government to work with the United States to defend the hemisphere.[9] President Arroyo del Rio had come to power only one year earlier. As one of the leading Liberals in Ecuador, he had developed strong ties to the United States through his work as a lawyer for U.S. companies. He was more than willing to assist the United States during this war emergency.[10] Recognizing an opportunity to strengthen U.S.-Ecuadorian relations while simultaneously challenging Ecuador's historic adversary, Arroyo del Rio warned U.S. officials that Peru might attack the Galápagos because of the influence of fascists, including Japanese, living in Peru.[11] The following day, Ambassador Alfaro met with Undersecretary of State Sumner Welles to discuss the establishment of U.S. military

[9] Julio Tobar Donoso to Colón Eloy Alfaro, 8 Diciembre 1941, Series V, Embajada de Estados Unidos, Ministerio de Relaciones Exteriores Archivo Historico de Quito (hereafter MREAH).
[10] Enrique Ayala Mora, ed., *Nueva Historia del Ecuador*, Vol. 10, *Epoca Republicana IV: El Ecuador entre los anos veinte y los sesenta* (Quito, Ecuador: Corporacion Editora Nacional, 1996), 97; Villacres Moscoso, *Historia Diplomatica*, 103.
[11] Tobar Donoso to Colón Eloy Alfaro, 8 Diciembre 1941, Series V, Embajada de Estados Unidos, MREAH.

bases on Ecuadorian territory. By December 13, Welles reported that Ecuador was prepared to enter into a cooperative agreement establishing the bases.[12]

As the governments of Ecuador and the United States negotiated the details of the cooperative defense agreement that would permit the construction of the Galápagos and Salinas bases, policymakers from each side hoped to secure benefits for their nation. Ecuadorian officials wanted increased U.S. assistance in settling the Ecuador-Peru border dispute.[13] In particular, they wanted to ensure that Ecuador received matériel under the U.S. Lend-Lease program in amounts comparable to those supplied to Peru. The main concern for U.S. officials was to secure the Panama Canal, an issue of "extreme urgency" according to Secretary of State Cordell Hull, since a Japanese attack on the canal could cripple trade routes used by the United States to procure the primary resources needed to fuel the war effort.[14] On 24 January 1942 the United States and Ecuador drew up the first agreement that authorized the construction of the base at Salinas. Then, on February 2, officials amended the Salinas Agreement to include Seymour Island in the Galápagos, where U.S. forces had already begun construction of the base.[15] The government of Ecuador now authorized the U.S. military to construct and occupy bases on Ecuadorian territory for the duration of the war.

On February 25, the U.S. ambassador to Ecuador, Boaz Long, wrote to Hull announcing the approval of the amendments to the Salinas Agreement. Hull reported that

[12] Memorandum of Conversation, 13 December 1941, *Foreign Relations of the United States* (hereafter *FRUS*), 1941 VII: 267.
[13] Colón Eloy Alfaro to Tobar Donoso, 12 Enero 1942, Serie G, Embajada de Estados Unidos, MREAH.
[14] Hull to Long, 10 January 1942, *FRUS*, 1942 VI: 362
[15] Villacres Moscoso, *Historia Diplomatica*, 133.

Ecuador would ratify the new agreement after receiving confirmation of increased Lend-Lease matériel.[16] Ecuadorian officials made clear that this matériel was needed so that the government of Ecuador could fulfill its commitments to hemispheric security, but U.S. officials knew that these supplies could also be used to protect against Peruvian attacks. These final considerations were taken care of by April 12 when Long reported that the Lend-Lease Agreement with Ecuador had been signed, adding that "the War Department believes this agreement on the Galápagos is of the utmost urgency for the defense of the hemisphere."[17] With the agreement signed, the United States and Ecuador were now prepared to defend the hemisphere through two U.S. military bases on Ecuadorian territory. This marked a high-point in the efforts to establish U.S. hegemony in Latin America. Tensions between Washington and Quito soon emerged, however, as the government of Ecuador found it difficult to secure the economic aid promised by the United States—a situation that sparked fresh rounds of anti-Americanism in Ecuador that challenged U.S. hegemony.

As had happened during the Great Depression, an economic downturn in Ecuador fueled this latest anti-Americanism. Despite a significant increase in Ecuadorian exports to support the U.S. war effort, the government did not evenly distribute the resulting profits. From 1940 to 1944, domestic prices in Ecuador doubled while salaries stayed the same.[18] The administration of Arroyo del Rio faced increasing domestic pressure as the economy worsened, and the Ecuadorian public became convinced that his administration

[16] Long to Hull, 25 February 1942, *FRUS*, 1942 VI: 371-372.
[17] Welles to Long, 12 April 1942, *FRUS*, 1942 VI: 373-374.
[18] Ayala Mora, *Nueva Historia*, 106.

had shamed Ecuador by agreeing to the terms of the Rio Protocol. Since the United States was one of the arbiter nations that had convinced Ecuadorian officials to sign the protocol, Washington and the close ties between Arroyo del Rio and U.S. elites were easy targets for popular discontent. This criticism of the Arroyo del Rio regime grew as the Ecuadorian press began reporting on new rounds of negotiations between the United States and Ecuador that would have prolonged the U.S. military presence in Ecuador following the end of the war.

President Arroyo del Rio had proposed a new agreement granting the United States a 99-year lease on the Galápagos base. While the proposal sparked some interest in Washington, government officials were debating the future of U.S. bases established throughout the world during this period of transition. Some wondered if Congress would continue to supply the funds needed to maintain these bases once the war was over. The U.S. Ambassador to Ecuador, Robert M. Scotten, received instructions from the State Department officials to delay negotiations on a new agreement until after the Ecuadorian congressional elections in June in order to allow Washington time to solidify its position.[19] Soon after receiving these instructions, Scotten made clear that Ecuador was unlikely to postpone the negotiations because the Ecuadorian Congress wanted the issue settled immediately.[20]

On 1 May 1944 Scotten sent a follow-up report analyzing the political pressures faced by the government of Ecuador. The ambassador argued that Washington should not

[19] Hull to Scotten, 21 January 1944, *FRUS*, 1944 VII: 1052.
[20] Scotten to Hull, 1 February 1944, *FRUS*, 1944 VII: 1053.

approach Quito concerning the bases until the current administration changed since the Ecuadorian populous was still upset with the Rio Protocol of 1942.[21] Postponing negotiations, Scotten felt, would allow "Ecuadoran feelings regarding the boundary settlement with Peru to cool down and it may be that by then an administration would be in power in Ecuador which would be easier to deal with than the present one."[22] By waiting, Scotten hoped to improve the U.S. negotiating position. He recognized the dire economic situation faced by the Ecuadorian government, and he wanted to take advantage of these problems to secure for the United States a beneficial Galápagos agreement.[23]

The Ecuadorian elections of 1944 brought a dramatic change. Exiled in Colombia since his controversial loss to Arroyo del Rio in 1940, Velasco Ibarra based his presidential campaign in part on popular discontent with the Arroyo del Rio Administration. Many Ecuadorians felt that the present administration had devolved into a dictatorship that was threatening the prestige of Ecuador through the signing of the Rio Protocol, and the reported negotiations to lease the Galápagos to the United States. Public discontent reached a climax on May 28, when the Ecuadorian military launched a rebellion against the Arroyo del Rio administration. Thus began the "Glorious Revolution" that brought Velasco Ibarra to office.[24] Leading an unusual coalition of elites

[21] "Memorandum by the Ambassador to Ecuador (Scotten)", 1 May 1944, *FRUS*, 1944 VII: 1061-1062.
[22] Ibid.
[23] "Memorandum by the Ambassador to Ecuador (Scotten)", 1 May 1944.
[24] George I. Blanksten, *Ecuador: Constitutions and Caudillos* (New York, NY: Russell & Russell Inc., 1964), 45.

from political parties on the left and the right, this was the second presidential term for Velasco Ibarra.

In response to Hull's inquiry regarding the possible impact of the coup on the Galápagos negotiations, Ambassador Scotten replied that Velasco Ibarra's victory was due in part to his attacks against the Arroyo del Rio regime over the Rio Protocol. The ambassador worried that now was an inopportune time to push an issue that some might interpret as infringing upon Ecuadorian sovereignty.[25] Yet soon after his victory, President Velasco Ibarra's foreign minister, Camilo Ponce Enriquez, approached Scotten with a message from the new president, saying that "the Ecuadoran Government desire[d] 'as a gesture of courtesy' to offer the United States the right to maintain our base in the Galápagos as long as we wish after the war."[26] Recognizing the fragility of the political coalition that had brought him to power, Velasco Ibarra wanted to secure the support of the United States as a sign of confidence in his administration. On July 31, Ambassador Scotten received instructions to mention to Foreign Minister Ponce Enriquez Ponce that "the question of appropriate compensation would, of course, be considered in any such negotiations." The Assistant Secretary of State Edward Stettinius emphasized that the United States "cannot withdraw from a base so vital to the defense of the Panama Canal."[27] Thus the United States raised the possibility of compensation for the use of the bases, and this opened the next phase of the negotiations.

[25] Scotten to Hull, 23 June 1944, *FRUS*, 1944 VII: 1063-1064.
[26] Scotten to Hull, 10 July 1944, *FRUS*, 1944 VII: 1064-1066.
[27] Stettinius to Scotten, 31 July 1944, *FRUS*, 1944 VII: 1071-173.

President Velasco Ibarra was attempting to consolidate his power by addressing the economic problems of Ecuador. During the war, governments throughout Latin America had taken out Eximbank loans to pay for the production of primary resources needed by the U.S. military. With the war over, the market for these goods was shrinking. The growth of these export industries during the war had also exacerbated economic imbalances in nations such as Ecuador, where the infrastructure for sustained economic development were still relatively nonexistent.[28] President Velasco Ibarra thus approached the United States for a $20 million loan for various development projects. These projects could provide his administration with crucial domestic support since they would be a visible indication of U.S. support for his administration, while also strengthening the economic development of Ecuador.

In August 1944, Velasco Ibarra sent Victor Emilio Estrada to Washington to begin loan negotiations as a special representative to the president.[29] Estrada, a prominent banker from Guayaquil who had ties with the United States, where his children had attended school, hoped to secure a loan to help pay for a variety of infrastructure programs in Ecuador that were designed to more fully integrate the country—both economically and psychologically. His project addressed the physical separation of Ecuadorians caused by rugged terrain, which had long hindered the construction of roads over the Andes Mountains. Overcoming this natural barrier, in Estrada's vision, would united Ecuador. Estrada also hoped to "strengthen" Ecuador internationally, by increasing

[28] Tulio Halperin Donghi, *The Contemporary History of Latin America* (Durham, NC: Duke U.P., 1993), 213.
[29] "Mision Estrada", 26 Agosto 1944, Serie G, Embajada de Estados Unidos, MREAH.

Ecuador's prestige through a loan from the United States, and domestically, by improving the Ecuadorian economy. Soon after his arrival in Washington, however, State Department officials began to undermine the loan negotiations.

Estrada began the negotiations by attempting to convince U.S. officials of the sincerity of his mission. When Rollin Atwood from the Department of State raised the Galápagos issue, Estrada explained the difficulties facing the United States and Ecuador. He pointed out that the general sentiment of the Ecuadorian "masses" was that "Ecuador had *given* the United States something and hadn't received anything in return," while "the 'educated' people . . . knew that Ecuador had not *given* anything—that the bases were essential to hemisphere defenses and Ecuador was glad to cooperate."[30] Yet this did not mean that all Ecuadorian elites supported the base negotiations. The National Assembly, according to Estrada, was complicating matters. Some members were voicing their opposition to the new rounds of negotiations claiming that Velasco Ibarra was continuing with threats to the national sovereignty of Ecuador begun by his predecessor Arroyo del Rio. Accordingly, Estrada argued that "nothing could be settled while the present assembly was in session."[31]

To try to win the favor of U.S. elites, Estrada brought with him a letter from President Velasco Ibarra that emphasized his government's "support of and close

[30] "Memorandum of Conversation between Sr. Estrada and Mr. Atwood", 26 September 1944, Central File 1940-1944, Box 4335, Record Group (hereafter RG) 59, National Archives at College Park (hereafter NACP), Maryland.
[31] Ibid.

understanding and unity of ideals with your noble country."[32] Policymakers in Washington often worried about the rise of populist leaders in Latin America, and Velasco Ibarra wanted to eliminate any possible doubts in the minds of U.S. officials concerning the leanings of his administration. From the beginning of the base negotiations, however, officials in Washington seemed to distrust Estrada. They seemed to fear that he was coming to Washington to secure loans that might ultimately favor only his home city of Guayaquil, rather than Ecuador as a whole. Donald Heath, from the Division of North and West Coast Affairs, along with the President of the Export-Import Bank, Warren Lee Pierson, wondered if perhaps Estrada was not a true representative of the Ecuadorian government in Quito. This distrust hampered the negotiations throughout Estrada's stay in Washington. U.S. officials seemed hesitant to make any firm commitments. To complicate matters, U.S. policymakers recognized the political significance of the Estrada Mission. Heath suggested that Velasco Ibarra had sent Estrada to the United States because the president wanted a large public works project—financed by the United States—to maintain the "blaze of popularity" that had won him the presidency.

While the Division considered Estrada's proposal to be "fairly sound," Ambassador Scotten recommended that officials do nothing regarding loans to Ecuador until the Ecuadorian government agreed to a continuation of the U.S. presence on the Galápagos base. Heath concluded that "without necessarily mentioning the Galápagos

[32] Velasco Ibarra to Franklin Roosevelt, 29 August 1944, Central File 1940-1944, Box 4335, RG 59, NACP.

Islands by name or tying them in with these negotiations, Sr. Estrada should be informed that final action on the credits he seeks must await the consideration and discussion of our overall relations with Ecuador."[33] While Estrada's original mission had nothing to do with the Galápagos negotiations, officials at the State Department tried to connect the two issues. With hemispheric solidarity secured, U.S. policymakers now focused on maintaining U.S. hegemony in the postwar world. By September 28, however, Pierson reported that none of the projects covered in Estrada's proposal were economically sound. Pierson also expressed apprehension about saddling Ecuador with any more debt, but he acknowledged that if there were a larger issue at hand, such as the Galápagos base, that would be a different matter. Pierson closed by suggesting that perhaps the bank could approve the project that was the "least unsound economically" so as to send Estrada home with something.[34] He thus recommended that the bank go ahead with the waterworks project, along with perhaps a small loan for new roads.[35] Officials from the State Department and the Eximbank still seemed to doubt the true motives of Estrada, and they hesitated to fulfill his requests.[36]

Though Ambassador Scotten had already casually mentioned the possibility of compensation for Ecuador in connection with the Galápagos base, on October 3 the State Department officially linked the issue of the base with the loan sought by Estrada. Eximbank and State Department Officials, including Pierson, Atwood, Heath and Acting

[33] "Mission of Victor Emilio Estrada to Obtain Credits for a Port and Highway Construction Program in Ecuador", 27 September 1944, Central File 1940-1944, Box 4335, RG 59, NACP.
[34] Memorandum of Telephone Conversation, 28 September 1944, Central File 1940-1944, Box 4335, RG 59, NACP.
[35] Memorandum of Conversation, 29 September 1944, Central File 1940-1944, Box 4335, RG 59, NACP.
[36] Ibid.

Director of the Office of American Republic Affairs Norman Armour, reported to Estrada and Galo Plaza that "a definitive decision on Sr. Estrada's program could thus best be made in the light of a definite arrangement for the mutual security and the conclusion of such arrangements would thus facilitate the final consideration of the program proposed."[37] "Mutual security" was a clear reference to the Galápagos base as some officials in the United States and Ecuador still considered the base strategically important. Arguing that continued maintenance of the base by the United States would in and of itself bring economic development to Ecuador, U.S. policymakers delayed the loan negotiations in order to secure a long-term lease on the base. These delays, compounded by domestic pressures in Ecuador and the United States as both the National Assembly and the U.S. Congress attempted to influence the negotiations, jeopardized the Estrada Mission.[38] By October 5, it was clear that Estrada would not receive the loan, and he prepared to return to Quito to discuss matters with his government.[39] In the end, Estrada received only a statement reasserting the interest of the Eximbank in pursuing the water works project for Guayaquil.[40] As officials in the United States prepared for the end of the war, it became increasingly clear to Latin Americans that wartime favoritism was waning.

[37] "Visit of Sr. Victor Emilio Estrada", 3 October 1944, Central File 1940-1944, Box 4335, RG 59, NACP.
[38] In the United States, Representative McKellar presented a bill on the floor of the House that would authorize President Roosevelt to purchase the islands in the name of national security. The McKellar Bill troubled some elites in Ecuador who worried about the implications for Ecuadorian sovereignty of such a sale. Ambassador Galo Plaza, however, quickly dismissed these fears saying that McKellar, who had little experience with foreign policy, did not have much support in Congress.
[39] "Sr. Estrada's Mission", 5 October 1944, Central File 1940-1944, Box 4335, RG 59, NACP.
[40] "Visit of Sr. Victor Emilio Estrada", 7 October 1944, Central File 1940-1944, Box 4335, RG 59, NACP.

With the failure of the Estrada Mission, negotiations over the future ownership of the Galápagos base took a new turn as domestic events in Ecuador began to have greater influence. President Velasco Ibarra faced political pressure from a population that was increasingly reluctant to see Ecuadorian territory leased to a foreign country. Those Ecuadorians who were still willing to consider such a lease, however, would now only do so if the United States provided an appropriate amount of economic aid as compensation. The Ecuadorian press had reported Scotten's earlier comments about compensation in ways that suggested to readers that this aid was a foregone conclusion. These pressures, combined with a growing rift between Velasco Ibarra and the members of the National Assembly, suggested to the president that they needed to secure a positive outcome to the negotiations quickly. Back in Quito, the National Assembly was meeting to discuss the latest U.S. proposal that would grant the United States a 99-year lease on the islands.[41] After considering reports from a special foreign relations committee, and from the armed forces of Ecuador, the National Assembly concluded that it could not support the agreement because it would threaten Ecuadorian sovereignty.[42] The window of opportunity for a quick and equitable settlement of the Galápagos base negotiations was rapidly closing

On 2 January 1945, Foreign Minister Ponce Enriquez informed Ambassador Galo Plaza that the government of Ecuador, due to pressures from the National Assembly, would not consider leasing the islands to the United States. Yet the Ecuadorian

[41] Francisco Arizaga Luque to Camilo Ponce Enriquez, 21 Noviembre 1944, Serie G, Embajada de Estados Unidos, MREAH.
[42] Arizaga Luque to Camilo Ponce, 21 Noviembre 1944.

government was willing to consider a mutual cooperation agreement that would grant the U.S. military access since Ecuador could not afford to maintain the base.[43] On April 23, Scotten reported to the Ecuadorian minister of the economy, Luis Eduardo Laso, that a mutual agreement on the continued use of the base by U.S. military forces would mean that "the relations between the two countries would be placed on an entirely different basis and there would be a much better disposition both on the part of the Department and the American Congress to assist Ecuador."[44] This suggested to Ecuadorian elites that although the Estrada Mission had failed, perhaps the Galápagos base could still be used to leverage State Department support in future loan negotiations between Ecuador and the Eximbank. By July 5, the United States became more specific regarding compensation, offering Ecuador $20 million in Eximbank credits, which the United Sates would pay back, as a form of compensation for the use of the bases.[45] The offer of $20 million—the exact amount of the development loan sought one year earlier by Estrada—actually complicated negotiations in the upcoming years because Ecuadorians came to count on this dollar amount despite the fact that a shift to a peacetime economy in the United States diminished the domestic support for a loan of this magnitude.

In July 1945, Galo Plaza and Foreign Minister Ponce Enriquez began a new round of meetings with officials from the State Department and the Eximbank. Galo Plaza reported to the Foreign Ministry that he and Ponce Enriquez had secured a tentative agreement with the Eximbank and the State Department, but he said that Ecuador would

[43] "Instrucciones Especiales para el Senor Embajador en Los Estados Unidos", 2 Enero 1945, Serie G, Embajada de Estados Unidos, MREAH.
[44] Memorandum of Conversation, 5 July 1945, *FRUS*, 1945 IX: 1010.
[45] Ibid., 1011-1012.

not sign any agreement until the United States delivered the full $17 million in matériel promised in the 1942 Lend-Lease agreement.[46] U.S. officials began delaying negotiations in October, arguing that it would be hard to convince the Department of Defense of the need to maintain the Galápagos base following the end of the war emergency. Ecuadorian officials continued to insist that they could not reach an agreement allowing a prolonged U.S. presence on the base without the $20 million.[47] Some in the Defense Department worried that such a payment would set a precedent for future negotiations with other foreign governments on whose territory the United States had constructed bases during the war.

The State Department and the president of the Export-Import Bank, Wayne Taylor, had not yet ruled out compensation, but at this point Taylor began insisting that the Department of Defense would have to determine the dollar amount to be paid. Officials told Galo Plaza that Ecuador should focus instead on using the $1 million already promised.[48] Eximbank officials earmarked this $1 million loan for the creation of professional studies that would they would use to obtain a larger $20 million loan. This new line of reasoning angered President Velasco Ibarra, who wanted to announce a $20 million loan agreement sooner rather than later.[49] On October 26 it became increasingly clear that Ecuador had little hope of securing the $20 million loan when Eximbank officials reported that the end of the war meant that public pressure in the United States

[46] "Instrucciones Especiales para el Senor Embajador en Los Estados Unidos", 2 Enero 1945, Serie G, Embajada de Estados Unidos, MREAH.
[47] "Entrevista con el General Brett en la Zona del Canal", 3 Octubre 1945, Serie G, Embajada de Estados Unidos, MREAH.
[48] Galo Plaza to Vicente Trujillo, 18 Octubre 1945, Serie G, Embajada de Estados Unidos, MREAH.
[49] Vicente Trujillo to Galo Plaza, 25 Octubre 1945, Serie G, Embajada de Estados Unidos, MREAH.

would prohibit Congress, the War Department, and the Eximbank from making such a large loan as compensation.[50] The end of the war marked a transition in U.S. hegemony, and officials debated the continuation of wartime commitments during this time of flux. Thus, despite Galo Plaza's efforts to convince U.S. policymakers to consider the question of compensation not in terms of the present climate of peace, but instead within the context of past sacrifices made by Ecuador, the $20 million compensation loan was no longer a possibility.[51]

By November 1945, negotiations over the future of the Galápagos base had thus ground to a halt.[52] Ecuador continued pushing for the $20 million loan, but each time the Ecuadorians raised the issue, U.S. officials emphasized the restraints placed on U.S. economic aid by the current peacetime climate. Accordingly, the State Department now attempted to separate the loan from the base negotiations.[53] In response, Velasco Ibarra instructed Galo Plaza to inform the Department of State that the Ecuadorian Constitution would not permit the maintenance of the Galápagos base without the legalization of the situation through a formal agreement.[54] Though the agreement of 2 February 1942 that had established the base was in fact legal, Velasco Ibarra raised this question of legality as a way to justify to his constituents his continuance of negotiations with Washington. President Velasco Ibarra still hoped to secure U.S. economic aid in exchange for the

[50] Galo Plaza to Vicente Trujillo, 26 Octubre 1945, Serie G, Embajada de Estados Unidos, MREAH.
[51] Ibid.
[52] Byrnes to Shaw, 3 November 1945, *FRUS*, 1945 IX: 1027.
[53] Memorandum of Conversation, 6 Diciembre 1945, *FRUS*, 1945 IX: 1059-1061.
[54] Radiograma para Washington, 8 Diciembre 1945, Serie G, Embajada de Estados Unidos, MREAH.

continued use of the Galápagos base in order to offset political pressures he faced at home.

With continued delays in the negotiations, Ecuadorian domestic opinion had by 1946 turned against the idea of a prolonged U.S. presence at the Galápagos base.[55] As a result, the new Ecuadorian foreign minister, Jose Vicente Trujillo, instructed Galo Plaza to inform the State Department that unless both sides reached an agreement concerning the base by March 10, the government of Ecuador would consider the negotiations failed, and demand the return of the base. In his memo to Undersecretary of State Dean Acheson, Galo Plaza emphasized that U.S. policymakers were the ones who had first linked the idea of a loan for Ecuador with a continued U.S. military presence at the base, and that Ecuador had been waiting over a year for a settlement of the two issues. In response, Foreign Minister Vicente Trujillo instructed Galo Plaza to remind Undersecretary of State Dean Acheson of the many sacrifices made by Ecuador in the name of hemispheric security, sacrifices that now seemed to be going unrewarded by the United States.[56]

Meanwhile, Henry Dearborn from the Division of North and West Coast Affairs met with members of the State War Navy Coordinating Committee (SWNCC) on January 4 to discuss the possibility of joint occupation of the base by the U.S. and Ecuadorian militaries with the United States paying the maintenance costs. The military officers suggested that the "maximum desired" outcome for the United States would be exclusive

[55] Villacres Moscoso, *Historia Diplomatica*, 170.
[56] Vicente Trujillo to Galo Plaza, 3 Enero 1946, Serie G, Embajada de Estados Unidos, MREAH.

rights for the U.S. military, while the "minimum acceptable" would be for joint rights. They insisted further that the United States should not have to pay for the development of future projects in Ecuador that were not of interest to the United States.[57] Despite the desire of the U.S. military to maintain the base, military officials could not decide on an appropriate dollar value for the Galápagos base. The State Department was now prepared to offer Ecuador only the minimum amount required for the maintenance of the base, while simultaneously discussing with Eximbank officials the possibility of fast-tracking any Ecuadorian loan proposals that seemed sound.[58]

While the military officials debated, Galo Plaza continued to push for State Department help in supporting the Ecuadorian position in negotiations with U.S. military and Eximbank officials. On January 14 the ambassador relayed to Quito his confidence that State Department officials would indeed provide this support.[59] Galo Plaza's confidence in the promises of U.S. officials seemed warranted, because on February 2, the United States had conceded to Ecuadorian demands and returned the Salinas Base.[60] The return of the Salinas base reportedly brought a momentary change in public opinion, and Ecuadorians now seemed to accept the idea of a prolonged U.S. presence at the Galápagos base as long as the situation was "legalized."[61] Galo Plaza continued to insist that Washington first make it clear that the maintenance of the base was vital for the

[57] "Memorandum by Mr. Henry Dearborn of the Division of North and West Coast Affairs", 4 January 1946, *FRUS*, 1946 XI: 836-837.
[58] Memorandum by Henry Dearborn, 17 January 1946, *FRUS*, 1946 XI: 838-839.
[59] "Entrevista con el Secretario de Estado Interino Senor Acheson", 14 Enero 1946, Serie G, Embajada de Estados Unidos, MREAH.
[60] Scotten to Byrnes, 2 February 1946, *FRUS*, 1946 XI: 840.
[61] Memorandum of Conversation by Henry Dearborn, 11 February 1946, *FRUS*, 1946 XI: 843-844.

protection of the Panama Canal; a caveat designed to satisfy requirements outlined by the Ecuadorian National Assembly that continued to worry about threats to Ecuadorian sovereignty. Galo Plaza also suggested that the State Department was "morally obligated" to help Ecuador secure a loan with the Eximbank since the department had interfered in the 1944 loan negotiations.[62]

Assistant Secretary of State for Latin American Affairs Spruille Braden seemed to agree with Galo Plaza. Braden believed that, regardless of whether or not the United States kept the base, it was still in their interest to help Ecuador economically since Ecuador would need financial aid in order to maintain the base.[63] U.S. and Ecuadorian officials, however, were still unable to agree on the dollar amount of any possible payment to Ecuador, and the March 10 deadline came and went. By March 20, the government of Ecuador had tired of waiting. Once again citing public opinion, officials in the Foreign Ministry instructed Galo Plaza to present U.S. officials with an ultimatum—if the United States continued to insist on negotiating a Galápagos treaty, Ecuador must receive substantial economic aid. If the United States was unable to determine the strategic value of the base and the dollar amount of the compensation by March 31, Galo Plaza was to request the return of the base. Should Washington fail to respond in time, Galo Plaza could continue negotiations only if the United States agreed to the $20 million.[64] The U.S. military, however, continued to delay.

[62] "Galápagos", 27 Febrero 1946, Serie G, Embajada de Estados Unidos, MREAH.
[63] Memorandum Of Conversation, 26 February 1946, *FRUS*, 1946 XI: 845-848.
[64] "Negociacion Galápagos", 20 Marzo 1946, Serie G, Embajada de Estados Unidos, MREAH.

On April 2, with the negotiations stalled again, Galo Plaza prepared a formal note requesting the withdrawal of U.S. forces as soon as possible.[65] During a meeting at the State Department, Braden and other officials explained to the ambassador their rationale for refusing the $20 million loan. They began by emphasizing that the U.S. military wanted to maintain the Galápagos base because of its strategic importance. International treaties ratified by the government of Ecuador, they argued, required it to contribute to hemispheric defense, and Ecuador had already benefited from the U.S. military presence on the islands. According to these officials, the United States had so far spent around $11 million on constructing the bases.[66] This amount, combined with the training of Ecuadorian personnel by the U.S. military and shipments of Lend-Lease matériel to Ecuador, was more than enough compensation for the use of the base. Galo Plaza countered each individual assertion made by Assistant Secretary of State Spruille Braden, but neither side would budge, so Galo Plaza presented the note requesting withdrawal.[67]

The United States agreed to remove all military personnel from the Galápagos base by 1 July 1946.[68] There were continued delays, however, when some members of the Ecuadorian military tried to convince U.S. officers of their desire to maintain a U.S. presence on the base. General L. Larrea Alba, the military assistant to the Ecuadorian Embassy in Washington, expressed his concern over the recent announcement that

[65] Acheson to Scotten, 2 April 1946, *FRUS*, 1946 XI: 851.
[66] Patterson and Forrestal to Acheson, 21 March 1946, *FRUS*, 1946 XI: 849-850.
[67] "Audiencia con Secretario Auxiliar de Estado", 2 Abril 1946, Serie G, Embajada de Estados Unidos, MREAH.
[68] "Devolucion de la Base de las Islas de Galápagos", 5 Abril 1946, Serie G, Embajada de Estados Unidos, MREAH.

Ecuador was going to request the removal of U.S. forces.[69] Other Ecuadorian officers who were worried that Ecuador could not afford to maintain the base also supported Larrea Alba. The fact that the Arroyo del Rio Administration had spent considerable amounts of money developing the national police force while cutting the funding of the military only heightened their concerns. Ecuadorian officers blamed this budget cut for their loss to Peru in 1941—a loss that had tarnished the Ecuadorian military's reputation and revealed its weakness.

Pressured by their own militaries, policymakers from the Foreign Ministry and the State Department continued to debate the future of the base. Realizing that there was still hope of reaching an agreement, Ecuador attempted to buy some time by agreeing to allow a limited number of U.S. personnel to remain on the base after the July 1 deadline.[70] Neither the Foreign Ministry nor the State Department, however, had deviated from their original points of the negotiations—Ecuador still wanted compensation, and the United States still refused to pay. In a meeting with Foreign Minister José Vicente Trujillo, Scotten made it clear that the United States was willing to help maintain the base while granting Ecuador full sovereignty, but that the U.S. government was "not willing to pay any compensation or allow this matter to be a bargaining point for other matters."[71] Despite this new round of negotiations, then, the United States returned the base to Ecuador as planned on 1 July 1946.

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[69] Larrea Alba to Vicente Trujillo, 7 Mayo 1946, Serie G, Embajada de Estados Unidos, MREAH.
[70] "Respuesta a Memorandum de la Embajada Amercana Sobre Galápagos", 18 Junio 1946, Serie G, Embajada de Estados Unidos, MREAH.
[71] Scotten to Acheson, 31 July 1946, *FRUS*, 1946 XI: 856-857.

With only a few U.S. military officials left behind at the base, Acheson, Dearborn, and others at the State Department spent the summer of 1946 discussing the Galápagos situation. All seemed to agree that if the United States was going to maximize its benefits, it needed to reach an agreement soon, before the last U.S. official left the base.[72] Ambassador Scotten, however, warned that domestic politics in Ecuador continued to hamper the negotiations. The Ecuadorian Foreign Affairs Committee of the National Assembly was reportedly unwilling to support an agreement effected through an informal exchange of notes. This meant that any agreement would have to be ratified by the National Assembly, which, according to Scotten, was still at odds with the Velasco Ibarra Administration.[73]

Policymakers had made little progress by 1947. That year the new Ecuadorian ambassador to the United States, Francisco Illescas Barreiro, met several times with members of the State Department, while continued delays in shipments of U.S. matériel to Ecuador fed a growing anti-Americanism in Ecuador.[74] Though apparently pressured at home to settle the Galápagos situation, the new members of the Ecuadorian Foreign Ministry asked for more time to analyze the earlier negotiations.

The new staff recognized that they could not expect economic compensation for the wartime use of the base, so they now wondered if Ecuador could instead receive beneficial treatment under President Harry Truman's new military cooperation

[72] Memorandum by Henry Dearborn, *FRUS*, 1946 XI: 858-859.
[73] Scotten to Braden, 5 September 1946, *FRUS*, 1946 XI: 860.
[74] Scotten to Braden, 30 Jauary 1947, *FRUS*, 1947 VIII: 676.

program.[75] As plans for the new military schools in the Galápagos and Salinas under this program progressed, Ecuadorian diplomats continued to press their U.S. counterparts for economic assistance. This time, however, the Foreign Ministry instructed the Ecuadorian ambassador not to mention compensation specifically, but rather to emphasize hemispheric security by arguing that Ecuador would only be able to contribute fully to the cause of hemispheric security with economic aid from the United States. Only a few months after President Truman had announced his administration's determination to stop the spread of international Communism, Foreign Minister Vicente Trujillo hoped that State Department officials would help to secure an Eximbank loan for Ecuador in defense of this common goal.[76]

The year 1948 ended the negotiations between the United States and Ecuador for the maintenance of the Galápagos base. Growing anti-Americanism in Ecuador, coupled with dwindling military expenditures in the United States made worse by a global recession, compelled U.S. forces to withdraw completely from the base. The State Department informed the Foreign Ministry on 22 June 1948 that the United States would remove from Seymour Island all U.S. forces by July, because the U.S. military lacked the funds to sustain the mission.[77] All that now remained was to figure out which

[75] Subsecretario de Defensa Nacional to Vicente Trujillo, 14 Mayo 1947, Serie G, Embajada de Estados Unidos, MREAH. Truman's plan, presented to Congress in 1946 and again in 1947, called for the replacing of aged matériel in Latin America with newer equipment from the United States as well as the establishment of U.S. military training facilities throughout the region. If Washington could not afford, or was not allowed, to maintain an active troop presence on these bases, then perhaps Latin American militaries could be trained and equipped with U.S. methods and matériel to defend the hemisphere. See, "Truman Proposes That U.S. Arm Americas for Defense," *New York Times* (7 May 1946): 1, and "Military Aid for Hemisphere Put to Congress by Truman," *New York Times* (27 May 1947): 1.
[76] Larrea Alba a Neptali Ponce, 30 Junio 1947, Serie G, Embajada de Estados Unidos, MREAH.
[77] John F. Simmons to Vicente Trujillo, 22 June 1946, Serie G, Embajada de Estados Uniods, MREAH.

installations the United States would leave behind. Since Ecuador hoped to maintain the base in working order, the Foreign Ministry asked if the Ecuadorian military could purchase these installations at a reasonable price.[78] The U.S. military agreed, and they sold to Ecuador most of the requested equipment at a 95 percent discount, while promising to have all U.S. personnel off the base by December 23.[79] The Foreign Ministry closed the negotiations by officially thanking the United States for "the manner in which the Government of the United States has acceded to the desires of the Government of Ecuador with regard to the acquisition of the equipment necessary for the maintenance of the Seymour Base."[80]

Negotiations for the establishment of U.S. military bases on Ecuadorian soil and the eventual return to Ecuador of these bases reveal the hegemonic process at work. While nobody can argue that the United States and Ecuador were equally powerful, it seems clear that Washington did not simply dictate the terms of the base agreements. Officials in Washington instead worked with Ecuadorian elites, many of whom supported the foreign policies of the United States, to ensure the security of not only the hemisphere but also of the emerging capitalist world-system. Ecuadorian elites were at times able to secure benefits for their home nation—such as the deeply discounted matériel—throughout this process. Solidifying U.S. hegemony in Latin America during the Second World War was not limited solely to economic and geo-strategic negotiations among diplomats. The education and training of Latin Americans was also part of this process.

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[78] Simmons to Secretary of State, 4 February 1948, *FRUS*, 1948 IX: 581-585.
[79] Simmons to Secretary of State, 14 December 1948, *FRUS*, 1948 IX: 227-228.
[80] Ibid.

4. The American School of Quito, and the Buenos Aires Convention

The 1936 Buenos Aires Convention and the 1938 Lima Accords laid the groundwork for increased hemispheric cooperation. As German military victories mounted, officials in Washington and throughout the hemisphere worried about a possible Axis invasion of Latin America. Some worried that fascist economic policies would challenge the economic world-system promoted by Washington. Others worried that Nazi propaganda would turn unsuspecting Latin American citizens against the United States. Whether or not this threat was ever real, what mattered most was that the perception of the threat in the minds of elites existed. As a result, policymakers devised a number or programs designed to counteract this perceived threat. Governments throughout Latin America rounded up Germans living in their nations and sent them to internment camps in the United States, while countries such as Ecuador contracted with Pan American Airways in order to replace the German airline SEDTA.

In addition to this military and economic integration, representatives at both inter-American conferences also agreed to expand cultural relations among the nations of the hemisphere in order to combat fascist ideologies. Education became a central part of this effort. In this context, policymakers interpreted education broadly, arguing that it included "any activity from the acquisition of manual skills to the contribution of original research by scholars of the highest order."[1] Officials promoted the acquisition of skills and knowledge through new education exchange programs, as well as through American

[1] F.J. Bailey to Byrnes, 7 March 1946 , Central File 1945-1949, Box 4396, RG 59, NACP.

Schools in Latin America.[2] Through education and training, policymakers hoped to convince current and future leaders of Latin America of the benefits of allying with the United States, thus solidifying U.S. hegemony in the region.

As part of an evolving cultural relations program that included film, books, cultural centers and other sites of cultural contact, the exchange programs held a special place. Many policymakers believed that "fundamental in the development of friendly inter-American relations is the effort to develop personal contacts between significant leaders of the other American republics and those of the United States." [3] Exchange programs could facilitate these contacts by bringing to the United States "those persons having an influence on youth" from a variety of disciplines—journalists, writers, physicians, engineers, educators, scientists, businessmen and artists.[4] Policymakers thus designed the exchange programs to foster cooperation for the long-term by targeting those individuals who could most effectively communicate to younger generations. Students themselves were also an integral part of the plan, and officials in Washington worked to expand the opportunities for Latin American students to study in the United States. Part of this effort included the founding and funding of American Schools in Latin America.

Educating the children of elite Latin American families using methods developed in the United States served two main purposes. First, those students who chose to

[2] I refer to American schools throughout this chapter. While the term American can technically be used to describe someone, or something, from anywhere in North, Central or South America, in this context American refers only to the United States. American schools then are schools that have some connection with the United States, or with U.S. nationals.
[3]Wilson to Duggan, 9 September 1940, Central File 1940-1944, Box 3405, RG 59, NACP.
[4]Ibid.

continue their studies in the United States would, officials hoped, experience a smooth transition to their new schools thanks to the training they received in English and in the methods of U.S. educators. Second, this education would ideally instill in the future leaders of Latin America an appreciation for the United States. Increasing the number of pro-U.S. elites in Latin America could help to secure the hemisphere during this war emergency, and to lay the groundwork for more long-term support of the U.S. Empire. While financial support from the U.S. government for American schools abroad never reached the level of that for exchange programs, during the early 1940s the U.S. government did begin funding some of these schools—including the American School in Quito, Ecuador.

From 1940 to 1948, U.S. cultural relations programs with the nations of Latin America passed through three phases in response to World War Two and the emerging Cold War. During the first phase from 1940 to 1942, officials worked to implement the operations called for at Buenos Aires and Lima. Along with the Bureau of Inter-American Cultural Relations and the Division of Cultural Relations, both of which were created earlier in 1938 as a first step in a greater involvement by Washington in cultural relations, in 1940 policymakers established the Office for the Coordination of Commercial and Cultural Relations between the American Republics (OCCCR), later shortened to the Office of the Coordinator of Inter-American Affairs (OCIAA) and then the Office for Inter-American Affairs (OIAA).[5] Officials at the Coordinator's Office

[5]J. Manuel Espinosa, *Inter-American Beginnings of U.S. Cultural Diplomacy, 1936-1948* (Washington, D.C.: Bureau of Educational and Cultural Affairs, U.S. Department of State, 1976), 159.

oversaw a vast operation focused on hemispheric defense during the war.[6] Next, officials created the Division of Inter-American Educational Relations within the U.S. Office of Education in 1941[7]. Division officials worked closely with the Department of State and with OCIAA. Enabling the exchange of professors and students through the awarding of fellowships, the Division of Inter-American Educational Relations was one of the main agencies involved in educational exchange with the nations of Latin America.[8] In an attempt to build on what already existed, these new federal offices and divisions worked closely with private organizations that had long been involved in exchange programs worldwide. The Institute of International Education (IIE) was the central partner in this effort.

During the early years of the IIE, presidents of universities and colleges allotted scholarships to the institute to help fund the exchange program. By 1938, cooperation between private organizations and the IIE had generated over one hundred exchange scholarships. From 1919 to 1939, Stephen Duggan and his staff at IIE brought close to three hundred Latin American students to the United States to study.[9] When officials in Washington began looking for a private organization with which to partner, the IIE was an obvious choice. Close cooperation between federal and private agencies remained a defining characteristic of U.S.-Latin American exchange programs throughout this era.

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[6] For more detailed discussion of the Coordinator's Office and the various agencies in charge of the U.S.-Latin American cultural relations programs, see Lars Schoultz, *Beneath the United States: A History of U.S. Policy Toward Latin America* (Cambridge, MA: Harvard University Press, 1999), as well as J. Manuel Epinosa, *Inter-American Beginnings.*

[7] Kenneth Holland "Inter-American Educational Relations," *Annals of the American Academy of Political and Social Sciences* 235 (September 1944): 70.

[8] John W. Studebaker "The United States Office of Education," *Annals of the American Academy of Political and Social Sciences* 235 (September 1944):

[9] Studebaker, 94.

As for the specific programs instituted during this first phase, the Inter-American Trade scholarship provides an instructive example. Started by the OCCCR in 1940, the program brought Latin Americans to the United States for "technical training and practical experience" in U.S. industries. Three main objectives underlay this exchange program. First, the training of "future industrialists" of Latin America in the methods used in the United States was an attempt to help the nations of Latin America "develop." Some elites in the United States and in Latin America felt that they could duplicate the successes of the United States in Latin America by properly training Latin Americans. A second, related goal was more long-range in nature—to train a Latin American workforce in current U.S. methods in the hopes of attracting U.S. business leaders looking to expand their operations abroad. The third goal was to engender an appreciation "of the American spirit and of the American way of life."[10] While less easily defined than the first two goals, efforts to familiarize Latin Americans with the American "spirit" and "way of life" were catch phrases used by policymakers to justify exchange programs during World War Two and the Cold War. Some officials seemed to believe that by simply experiencing life in the United States, Latin Americans could correct what some considered to be deficiencies in their nations.

In addition to these exchange programs, officials during this phase began to consider funding American Schools in Latin America. At the time of the attack on Pearl Harbor, there were around 400 schools in Latin America sponsored by, or receiving

[10] Hull to Long, 19 November 1941, Central File 1940-1944, Box 3399, RG 59, NACP.

substantial help from, U.S. nationals.[11] While their individual missions varied, the victories of Hitler in Europe, and the Japanese attack on the United States, cast the schools in a new light. Officials now identified these schools as potential bulwarks against fascist influences in the hemisphere. By educating the children of elite Latin American families in schools modeled on U.S. institutions, policymakers hoped these future leaders would develop a strong appreciation for the United States.

While the story of the exchange programs examined here focuses primarily on the efforts of elites in the United States to improve cultural relations with the nations of Latin America, the story of the American School of Quito reveals the efforts of leading Latin Americans in supporting U.S. policies. In 1940, Ecuadorian elites, working closely with officials from the U.S. Embassy, founded the school in order to provide the children of elite Ecuadorian families with the opportunity to receive a U.S.-styled education. By 1942, policymakers in Washington were convinced of the value of the school in Quito, so they began funding it, as well as other American Schools throughout Latin America.

The years from 1943 to 1945 marked a second phase in the development of U.S.-Latin American cultural relations as officials planned for the postwar world. Recognizing the fine line between reciprocal cultural exchange and unilateral propaganda, policymakers in Washington shifted responsibilities for the various programs four different times.[12] In 1943, policymakers transferred to the Division of Cultural Relations

[11] "U.S.-Sponsored Schools Abroad. Report by Andrew V. Corry," 22 September 1942, Bureau of Educational and Cultural Affairs (CU), Group XV, Series 1, Box 314, Special Collections, University of Arkansas Libraries, Fayetteville. [hereafter, Corry Report]
[12] Espinosa, 188-189.

most of the programs under the supervision of the OCIAA.[13] This gave State Department officials even greater control over these programs, allowing the program to continue once the war, and the raison d'etre of the OCIAA, ended.

During this phase, officials emphasized the cooperative nature of the programs by increasing the number of grants jointly financed by Latin American governments and the United States.[14] Thus they created the exchange of students and professors program under the Buenos Aires Convention. In this program, as in others during this period, officials promoted a "spirit of reciprocity," at least rhetorically.[15] The definition of "reciprocity" was open to interpretation. In the case of the exchange programs under the Buenos Aires Convention, policymakers in Washington quickly realized that the exchanges might never materialize if they insisted on true reciprocity. Some Latin American governments simply could not afford to participate. Thus the strict one-to-one ratio implied by "reciprocity" was relaxed to give the programs a chance to succeed.[16]

Officials also applied similarly loose interpretations "cooperative" and "exchange" during this time. Policymakers in Washington might claim that the various exchanges were truly cooperative, but ultimately it seems clear that the primary goal was more one-sided—to transmit knowledge from the United States to Latin America. The ultimate goal remained to generate consent to U.S. dominance. In order to increase the cooperative nature of the program, officials at the OCIAA, and the newly created Inter-

[13] The technical assistance programs remained under the supervision of the Coordinator's office. These programs served as models for Truman's Point IV program which will be discussed elsewhere. Espinosa, 161.
[14] Ibid., 216.
[15] Ibid., 149-150.
[16] Espinosa, 159-160.

American Educational Foundation, ratified bilateral agreements with the nations of Latin America that required these governments to contribute financially to support their grantees.

The year 1945 brought another series of bureaucratic adjustments as officials modified programs to fit the postwar world. Some argued that the direct connection between the Department of State and the exchange programs should be limited to shield the programs from accusations of propaganda, and to enlist the expertise of organizations with more experience in education. As a result, that year policymakers transferred to the Office of Education the administrative responsibilities for the graduate student exchange program of the IIE. This shift of responsibilities freed State Department resources to expand its Foreign Leader Program to Latin America during the Cold War. Ultimately, then, the constant refinement of the policies and procedures governing the various exchange programs, in order to facilitate continued support of U.S. hegemony in the postwar world, marked the 1943 to 1945 period.

A decline in Congressional appropriations for the exchange programs characterized the third phase, which lasted from 1946 to 1948. The emphasis of U.S. foreign policy now shifted from Latin America, to Europe and Asia. By 1948, funding had reached the lowest point of the postwar era.[17] Yet the programs developed by the Coordinator's Office and the Division of Cultural Relations served as models for those developed by the United States in the rest of the Third World. The passage of new legislation by the U.S. Congress also created new programs, such as the Fulbright

[17] Espinosa, 228.

Program, which policymakers modeled on these earlier programs with Latin America. Thus, despite a drop-off in Congressional appropriations for the wartime Latin American programs, the innovative partnerships established by officials at the Coordinator's Office, the Division of Cultural Relations and the IIE served as models for a variety of new programs worldwide.

From 1940 to 1948, U.S. Embassy officials in Ecuador worked with local elites to keep pace with the evolving exchange opportunities. Describing Ecuadorians as generally "friendly toward the United States," these officials argued that "assuring the continuation and intensification of this attitude is the basic aim of our cultural and informational program in Ecuador."[18] In many ways, Ecuador was at the vanguard of the developing cultural programs under examination here. In 1940, the rector of the Catholic University of Quito, Dr. Aurelio Espinosa Polit, was the first Latin American leader to receive a travel grant under the Buenos Aires Convention. In 1942, the American School of Quito was one of only three American schools in the hemisphere to receive direct funding from the U.S. government.[19]

As in the case of the Galápagos base, the U.S. and Ecuadorian policymakers who worked the hardest to ensure that U.S.-Ecuadorian relations remained strong were those who believed in the mission of the United States. In the United States, these were officials who above all else wanted to ensure hemispheric solidarity—a goal shared by some Ecuadorian elites. Many of these Ecuadorians also supported U.S. policies in order

[18] Nestor Ortiz to Henry Dearborn, 26 June 1946, Central File 1945-1949, Box 3287, RG 59, NACP.
[19] Espinosa, 167; 256.

to maximize gains for their country. They believed that the basic ideologies and principles underlying U.S. policies would benefit Ecuador and Ecuadorians. Through the efforts of these policymakers in Quito and in Washington, the number of Ecuadorians studying and training in the United States grew dramatically from 1940 to 1948. In 1942, the American School of Quito was the only American School in South America to receive funding from the U.S. government (the other two schools mentioned above were in Central America.) Along with the establishment of the U.S. military bases on the Galápagos and in Salinas, these developments in U.S.-Ecuadorian cultural relations marked a turning point in the solidification of U.S. hegemony in Latin America.

The American School of Quito served as a model for U.S. policymakers who argued in favor of federal support for American schools in Latin America. The majority of the students at the school were Ecuadorians from wealthy families whose parents wanted a good, non-denominational education for their children.[20] To policymakers in Washington and Quito, the American School in Quito was in a unique position to influence positively the future leaders of Ecuador, while simultaneously improving hemispheric solidarity by discrediting the fascist ideologies taught in the German School of Quito. Unlike the exchange programs, however, the American School was not primarily the creation of U.S. officials. Rather it was an Ecuadorian, Galo Plaza Lasso, who had taken the lead in establishing the school.

In January 1939, Galo Plaza, then serving as the Minister of National Defense, met with Laurence Duggan who was touring South America. Reporting that there was a

[20] Scotten to Hull, 16 January 1944, Central File 1940-1944, Box 4332, RG 59, NACP.

movement underway to open an American School in Quito, Galo Plaza claimed that as many as one hundred Ecuadorian children eagerly anticipated the opportunity to enroll so that they could learn enough English to continue their education in the United States.[21] Galo Plaza had long been interested in education in the United States, and he himself had attended several U.S. universities as a young man. He pointed out that Ecuadorian children attending schools in the United States often faced challenges because of their limited training in English. Galo Plaza wanted his children and the children of "other Ecuadorans who think as he [did]" to have the opportunity to attend a good American School.[22] He hoped that the establishment of an American school in Quito would influence the current situation under which Ecuadorian elites had to choose between sending their children either to a public school, or a private Catholic or German one. Under the present situation, some officials in the Ecuadorian government, including Galo Plaza himself, elected to send their children to the German school in order to provide them with a high-quality, secular education.[23] By 1939, then, Galo Plaza had already established himself as an influential Ecuadorian who generally supported U.S. policies. The story of his efforts to start the American School of Quito reveals that he was not alone in this support.

Working closely with Galo Plaza, Ambassador Boaz Long contacted Richard Pattee, the Acting Chief of the Division of Cultural Relations, to advise him of the plan to open an American school of Quito, and to report that Galo Plaza was seeking help in

[21] Long to Hull, 25 January 1938, Central File 1930-1939, Box 222, RG 59, NACP.
[22] Long to Hull, 28 August 1940, Central File 1940-1944, Box 4331, RG 59, NACP.
[23] Long to Hull, 18 October 1939, Central File 1930-1939, Box 5679, RG 59, NACP.

securing qualified teachers for the new school. Pattee responded to Long's message with interest, asking that he keep the State Department informed of any developments in the situation. He suggested that Long forward the question of locating teachers to the IIE.[24] While Pattee and others at the Department of State realized the value of the American Schools, at this point they had difficulty procuring funding for the schools. This of course was before the attack on Pearl Harbor, when the pressure to secure the hemisphere was not as great as it would later become.

Despite the lack of U.S. aid, Galo Plaza and Ambassador Long moved quickly to open the school. In the spring of 1940, the founders of the American School of Quito hired Hazel Johnson and her husband-to-be Robert Tucker to run the school. By May, school founders had collected all of the funds needed to open the school, thanks to one hundred Ecuadorian families who had pledged their own money.[25] Clearly other Ecuadorian elites agreed with Galo Plaza, and wanted their children to attend an American school. The Tuckers arrived in Quito in August, and the American School of Quito opened its doors to around 135 students on 14 October 1940.[26]

The majority of the students at the American school were Ecuadorian, and with the exception of courses in Ecuadorian history and geography, teachers conducted all classes in English.[27] In addition to the regular academic courses, students also enjoyed classes in dancing and music. Faculty at the school also offered a variety of cultural programs, including celebrations for Pan American Day, Health Day, Oriente Day,

[24] Pattee to Long, 25 January 1938, Central File 1930-1939, Box 5679, RG 59, NACP.
[25] Cherrington to Bonsal, 31 May 1940, Central File 1940-1944, Box 4331, RG 59, NACP.
[26] Long to Hull, 28 August 1940, Central File 1940-1944, Box 4331, RG 59, NACP.
[27] "American School at Quito, Ecuador", *World Education*, 6:1 (January 1941): 9.

Halloween, Christmas, and Fourth of July radio broadcasts.[28] The cultural impact of the American School thus extended beyond the classroom. According to Ambassador Long "if it meets with the hoped for success, [the school] should be a most valuable development in improving cultural relations between the United States and Ecuador."[29] Long's report to Washington generated some interest at the Department of State, where, according to the Chief of the Division of Cultural Relations, Charles Thompson, officials were preparing to survey the situation in other Latin American countries to determine whether or not the U.S. government should begin funding American schools throughout the region.[30]

In the spring of 1941, inspired by Embassy reports concerning the "increasingly dangerous influence of German Schools in Latin America," officials at the Coordinator's Office sent Andrew Corry to Latin America to conduct a survey of American schools.[31] Corry's primary assignment was to determine the advisability of funding these schools to serve as "counter-influence[s]" to German and Spanish schools in the region.[32] Over the next year, Corry visited twenty Latin American republics and gathered data on over 400 American-sponsored schools.[33] In each country, he analyzed the basic history, educational aims, and funding of the schools.[34] In his final report, "Memoir Proposing American-Sponsored School Program, 1942-1943," Corry began by pointing out that

[28] Long to Hull, 25 June 1942, Central File 1940-1944, Box 4331, RG 59, NACP.
[29] Long to Hull, 15 October 1940, Central File 1940-1944, Box 4331, RG 59, NACP.
[30] Thomson to Long, 31 October 1940, Central File 1940-1944, Box 4331, RG 59, NACP.
[31] "Recommendation to Aid American-sponsored Schools in Northern Latin America", 10 July 1941, Office of Inter-American Affairs, Central Files, (3) Information, Science and Education, Education, Schools and Institutions, Box 384, RG 229, NACP.
[32] Long to Hull, 19 February 1942, Central File 1940-1944, Box 18, RG 59, NACP.
[33] Corry Report.
[34] "Recommendation to Aid American-sponsored Schools in Northern Latin America", 10 July 1941.

funds for education were limited in most Latin American countries. This meant that many Latin American governments openly welcomed private schools to share the burden of educating their citizens. Private schools attracted the patronage of elite Latin American families because, compared with public schools, private schools had better physical plants and equipment, as well as more advanced and varied course offerings—all of which Corry referred to as the "prestige-winning factors" of the schools.

Corry next pointed out that around one-third of these private schools were foreign-sponsored, and that these particular schools played an important role in strengthening cultural relations since:

> with the second language it brings the thoughts of the sponsoring group. If well presented, its courses on their culture cannot fail to form an attractive, sympathetic picture of the sponsoring nation and its citizens. The associations and friendships it forms among students, and their elders, are the very basic stuff of popular cultural influence.[35]

As with the exchange programs, those elites who advocated for increased cultural programs considered the "associations and friendships" that could be developed at an American school or through an exchange experience to be some of the most significant factors in strengthening U.S.-Latin American relations. Foreign-sponsored schools could thus exert great influence on the students of elite Latin American families, many of whom were the future leaders of their nations.

There were a variety of foreign-sponsored schools operating in Latin America when Corry arrived to conduct his survey—Britain, the United States, Japan, Spain, and Germany all had schools scattered throughout the hemisphere. It was the Axis-sponsored

[35] Corry Report.

schools, however, that most worried Corry and officials in Washington. Corry estimated that throughout Latin America there were roughly 888 Axis-sponsored schools, which were educating twice as many students as American Schools in the region. Three-quarters of these schools were German, one-sixth Japanese, and one-tenth Italian.[36]

The relatively large number of German schools, combined with Hitler's victories in Europe, meant that these schools became the primary targets of U.S. efforts to use education to offset Axis influence in the hemisphere. The Germans in Latin America were clearly taking advantage of the opportunities to open schools in Latin America. They did so, according to Corry, in order to strengthen the communities of Germans and German-connected nationals living in Latin America, and to indoctrinate local "collaborators." Corry considered these schools to be a direct threat to hemispheric solidarity since they "were chosen by the Axis powers to secure the active cooperation of Latin American states, or failing that, to weaken the present and future bases for inter-American collaboration by cementing firm bonds of interest between their ruling classes and the Totalitarian would-be lords of the 'Heartland'."[37]

Whether German policy regarding German Schools in Latin America was ever as organized or deliberate as Corry suggested, one thing does seem clear—by the time Corry arrived in Latin America, Latin Americans considered the German schools to be some of the most prestigious schools in the region. The German School of Quito certainly enjoyed this distinction. Corry attributed German successes in this realm to the integration of

[36] Corry Report.
[37] Ibid.

German Schools abroad with the Reich's domestic educational program, and to the funding that these schools received from the German government. All German School teachers passed through a centralized teacher-training program that included classes focused on teaching in Latin America. Once they graduated, students of the German Schools in Latin America received diplomas signed by Reich officials granting them the same "rights and privileges" of graduates living in Germany.[38] The German government also generously funded the schools by collecting taxes from German citizens and directing this money to the schools. School administrators used these funds to construct impressive physical plants and to hire qualified teachers—two things that the American School of Ecuador struggled with during its early years—and to provide financial aid to students.[39]

If officials in Washington wanted to challenge the influence of the German schools, Corry concluded that they needed to do something quickly since all of the American schools he visited throughout the region were "deficient in one or more respects." Corry argued that the lack of financial support for American Schools by the U.S. Government was the root cause of the inability of these schools to compete with the German Schools.[40] American Schools in the region were less centrally organized than their German competition and, prior to 1942, none of them received funding from the U.S. government. They all relied instead on private foundations and organizations for funding. As a result, roughly 92 percent of the students at American Schools in Latin

[38] "Recommendation to Aid American-sponsored Schools in Northern Latin America", 10 July 1941.
[39] Corry Report.
[40] Ibid.

America paid tuition.[41] Despite their economic problems, however, Corry and those he interviewed saw great promise in the American Schools. As one headmaster put it, these schools were "an educational bridge between two cultures" since they offered training in English and other courses similar to those offered in the United States. According to Corry, American schools could "challenge directly" the Axis-sponsored schools since they "exert an immediate and lasting effect upon socially and politically significant elements in the other American republics." Corry estimated that in the previous year alone, 59,000 students attended American schools in Latin America, and 50,000 of those went to school in the ten South American countries, including Ecuador. As evidence that the American schools were reaching the target audience, Corry reported that 95 percent of these students were nationals of the host countries. Despite these numbers, attendance at American Schools throughout the region was still one-third to one-half that of Axis-oriented schools.[42]

So that the American schools could attract the patronage of "upper-class elements" in Latin America, and form "strong and mutually-beneficial cultural ties between them and United States residents of the republics," Corry urged Washington to begin funding these schools.[43] Ideally, according to Corry, this aid would not continue indefinitely, but rather it would make the schools self-sustaining. The immediate goals of U.S. aid would be to improve those areas of the school that contributed most directly to the "prestige factor"—the physical plant facilities, equipment and teaching staff. If

[41] Corry Report.
[42] Ibid.
[43] Ibid.

enough private and governmental funding could be secured, then school administrators could construct "first-class bi-national schools—first-class in plant, in equipment, in staff, in curriculum" to replace "the pro-German school influences among upper-class or leading nationals" in several strategic cities in Latin America.[44]

In Ecuador, Corry reported that "the stabilization of The American School of Quito on a permanent basis is the most important activity of short- or long-range significance which could be undertaken involving the field of Cultural Relations in Ecuador." Corry praised the school, saying that in the first two years of operations, local parents "have begun to change their attitude towards American culture, to appreciate its merits and to realize its relational values in connection with their own country and its culture." [45] The American School of Quito seemed to be in a position to counter the influence of the German School in Quito, which had developed a reputation among Ecuadorian elites as the best non-denominational, private school in the country. Corry recommended spending roughly $313,950 over a period of five years to help improve the facilities of the school by creating a permanent physical plant. After that, he anticipated that the American School of Quito would be stable enough to be self-sustaining without U.S. capital.

Corry was not the only one requesting aid for the American School of Quito, as the Tuckers had already written to Ambassador Long seeking funding. As the heads of the school, the Tuckers were concerned about rumors circulating in Quito that the

[44] Corry Report.
[45] Ibid.

German school was about to be closed by the Minister of Education in Ecuador. With the forced shutdown of SEDTA the previous summer, it seemed likely that the Ecuadorian government would indeed dissolve the German School. The Tuckers worried that the closing of the school would mean a rush of new students that the American school would not be able to accommodate. They reported that a number of former German school students had already enrolled because their parents had become "disgusted with the methods in that institution and fearful of the results of their educational philosophy."

The Tuckers asked for immediate funds to erect emergency classrooms on school property, arguing that, despite the Coordinator's Office expressed interest in their project, the current situation could not wait for the slow-moving bureaucracy to release the money.[46] Ambassador Long agreed with the Tuckers, and he recommended to Hull that Washington give the school a gift of $200,000 to buy the land, and to construct the new buildings to make it "a powerful factor for good." [47] In the end, however, Washington released only $6,000 a year for two years for this project.[48] While this amount was not nearly enough to solve the financial problems of the school, it was more than most American schools in the region received from the U.S. government at this time.

Despite financial difficulties, the Tuckers reported that they had made great progress over the past three years in "establishing the [American] school as one no longer on an experimental basis."[49] There were now 250 students studying in the primary and

[46] Duggan to Thomson, 26 March 1942, Central File 1940-1944, Box 4331, RG 59, NACP.
[47] Long to Hull, 21 March 1942, Central File 1940-1944, Box 4331, RG 59, NACP.
[48] Long to Welles, 7 April 1942, Central File 1940-1944, Box 4331, RG 59, NACP.
[49] Long to Hull, 25 June 1942, Central File 1940-1944, Box 4331, RG 59, NACP.

the new secondary school (seventh grade only).[50] In addition to the $6000 received from the Coordinator's Office, the school received grants from the Rockefeller Foundation, the South American Development Company, the Cotopaxi Exploration Company, and the Shell Oil Company. These funds, as well as the fees collected for tuition and other expenses, paid for the majority of the operating expenses of the school. Officials used some of this money to expand three classrooms, to construct a new brick building, and to create a new sports field. These improvements seemed to have had an effect on the "prestige-winning factors" identified by Corry. According to Duggan, the American School in Quito had successfully surpassed the German school in prestige, and would soon welcome one hundred new students.[51]

While officials in Washington and Quito acknowledged that the Tuckers and the other American school administrators were doing a fine job in turning the school into one that successfully supplanted the German school, there was one serious challenge that continually threatened the continuation of the school—finding and hiring qualified teachers. Writing to Duggan, Ambassador Long pointed out that of the five teachers hired for the fall of 1941, three had already left Ecuador by June 1942 because of the low pay. Being paid $75 a month for only eight months out of the year meant that teachers generally looked for summer employment elsewhere. Many teachers discovered that Americans working for the U.S. Embassy and for U.S. companies in Ecuador were often making more than twice the teachers' salaries, despite having less formal education.[52]

[50] Long to Hull, 10 July 1942, Central File 1940-1944, Box 4331, RG 59, NACP.
[51] Duggan to Bonsal, 13 July 1942, Central File 1940-1944, Box 4331, RG 59, NACP.
[52] Long to Hull, 10 July 1942.

With living costs in Ecuador "rising tremendously" and higher paying jobs opening in the various sectors booming because of the war, the Tuckers found it impossible to pay teachers competitive salaries. Despite an increase in the teacher salaries for 1943, nobody had applied in the past few months. Because of the financial situation of the school, the Tuckers commented that "we doubt if we can even get adventure-seekers at the salary we are prepared to offer. There is plenty of adventure to be found in the world today and for higher salaries." The Tuckers planned to re-open the school soon for the upcoming school year, but, according to them, this would be nearly impossible without new American teachers.[53]

Thus, despite the interest of Ecuadorian and U.S. elites in supporting the American School of Quito, they never really solved the financial problems of the school during this period. In 1943, the Tuckers asked for an extension on the use of the $6,000 granted the school the previous year, explaining that inflation in Ecuador, which was part of the wartime experience for many living in Latin America, meant that the $6,000 earmarked for the construction of new classrooms was now not enough to cover construction.[54] After visiting the school in 1944, Roy Tasco Davis, the president of the Association of American Schools in Latin America, recommended to the American Council on Education and to the Department of State that the government give the American School of Quito a "large-scale" grant in-aid so that it could become self-supporting as soon as possible. Davis, Scotten, and officials from the school calculated

[53] Tucker to Bonsal, 15 April 1943, Central File 1940-1944, Box 4332, RG 59, NACP.
[54] Ibid.

that $103,851.75 would solve the problem and "satisfy local demands for American education of efficiency and prestige and maintain a deeply rooted influence in favor of American life and culture." [55] Washington never honored this request. With a rising enrollment and improved facilities, officials in Washington and Quito could now focus their attention on other educational programs.

While officials hoped that American Schools would influence future leaders, they also developed an increasingly complex system of educational exchange programs in order to target current leaders. These exchange programs provided funding for Latin American students, professors, and other leaders to come to the United States to pursue advanced training and education. They offered grantees an immediate opportunity to experience what the American Schools promised for the future; a chance to study in the United States. Officials from Latin America and the United States hoped that these exchanges would reach a broader audience than just the children of elites.

During the first phase, the educational exchange programs with Ecuador and the rest of Latin America developed slowly. With the entrance of the United States into the Second World War, officials at the State Department sent a memo to the various U.S. embassies in Latin America announcing that the exchange of persons programs would continue despite the war emergency.[56] Yet, while the 1936 Buenos Aires Convention called for each country to submit panels of professors who would then travel to the United States, so far no applications had reached Washington. Since the sending country

[55] Scotten to Hull, 6 January 1944, Central File 1940-1944, Box 4332, RG 59, NACP.
[56] "Convention for the Promotion of Inter-American Cultural Relations: Panels for 1942-1943 Academic Year", 25 February 1942, Central Files 1940-1944, Box 3409, RG 59, NACP.

was responsible for all travel costs, U.S. officials wondered if perhaps the ongoing war was the reason for this silence. Although Latin American professors were not at this point traveling to the United States, however, Latin American students from every ratifying country except Honduras had made the trip. [57] The student exchange was also limited, though, since some countries had not yet selected any U.S. graduate students for study abroad.

In addition to the region-wide problem of trying to secure panels of exchange professors from Latin America, Ambassador Scotten and other officials running the program in Ecuador faced unique difficulties. Despite the increase in scholarships awarded to Ecuadorians, the geographic distribution of the scholarship recipients worried some. The majority of the grantees came from Quito—56 versus seventeen from Guayaquil, and six from Cuenca. This problem threatened the exchange programs throughout this era because it exacerbated traditional divisions between coastal and highland elites in Ecuador.[58] While policymakers designed the exchange programs to operate outside of the realm of domestic politics, issues such as the uneven distribution of grants enmeshed the programs within domestic power struggles.

Addressing this uneven distribution became part of a larger effort, beginning in December 1942, to expand the scope of the exchange programs with Ecuador and the rest of Latin America. Alfred Nester, the Cultural Affairs Officer at the U.S. Embassy in Quito, reported to Secretary of State Hull that his staff had created two new information

[57] "Convention for the Promotion of Inter-American Cultural Relations: Panels for 1942-1943 Academic Year", 25 February 1942.
[58] Long to Hull, 10 November 1942, Central Files 1940-1944, Box 3838, RG 59, NACP.

centers in Guayaquil and Cuenca in order to disseminate information regarding the scholarships. In his report to Washington, Ambassador Long argued that these cultural centers should help offset the "appalling lack of knowledge regarding awards and consequent confusion and misunderstanding," especially outside of the capital city.[59] With this completed, Long hoped that Ecuadorians would come to the United States "not in twos or threes but in large numbers." He pointed out that the biggest challenge would be to keep Ecuadorians in Ecuador once they returned from their studies in the United States.[60] This problem surfaced again in a few years during the tumultuous Glorious Revolution that returned Velasco Ibarra to power.

Throughout this first phase, officials in the United States and the nations of Latin America attempted to fix technical problems with the educational exchange programs when they arose. One step in this process was to analyze closely the effectiveness of each program. Reporting from Ecuador, Ambassador Long argued that he and his staff had not yet carefully studied the results in terms of "friendliness towards the United States and the wise use of the knowledge and skill that they facilitated." He guessed, however, that the program had engendered greater friendliness, and that participants would soon be using their skills wisely. In his report, Long did highlight a recent summer school trip to the University of Michigan that resulted in the establishment of a Quito Michigan Club, "which is intensely interested in all things American."[61] It was these types of personal

[59] Long to Hull, 10 November 1942.
[60] Nester to Hull, 16 December 1942, Central Files 1940-1944, Box 3838, RG 59, NACP.
[61] Long to Hull, 10 November 1942.

contacts between Ecuadorians and U.S. citizens that many elites throughout the hemisphere hoped to foster.

Measuring the precise affect of these contacts, however, would take time and further study. It was one thing to view the growing number of exchange participants as evidence of success. During this period of solidifying U.S. hegemony, policymakers certainly welcomed this news. Yet higher numbers did not necessarily mean that the exchange experience was having the desired effect on each participant. Because of this, officials continued to push for further refinement and expansion of the exchange programs. Until they could collect and analyze more detailed data, officials in Quito and in Washington focused on increasing the opportunities for Ecuadorians to study and train in the United States.[62]

As with other aspects of U.S.-Latin American relations, policymakers began discussing the postwar future of the exchange programs as early as 1943 as Allied victories mounted. Further changes in the bureaucratic structure administering these programs by officials working to maintain wartime solidarity marked this second phase. At this point, policymakers transferred to the Division of Cultural Relations the bulk of the cultural programs of the Coordinator's Office.[63] As part of the effort to expand exchange opportunities, representatives from the United States and the nations of Latin America gathered in Panama City in September 1943 for the Conference of Ministers and

[62] Long to Hull, 10 November 1942.
[63] Espinosa, 161.

Directors of Education of the American Republics.[64] The delegates debated ways to expand the programs instituted under the Buenos Aires Convention. The resulting 1943 convention called for each Latin American government to ratify a bilateral exchange agreement with the United Sates. Participating governments would then establish a *servicio* within the local Ministry of Education to run the program, and both the United States and the local government would fund the *servicio*.[65] By establishing an organization within each foreign government, U.S. officials hoped to avoid charges of meddling in the affairs of Latin American nations, and to project an aura of cooperation.

In the United States, officials at the Office of Inter-American Affairs established the Inter-American Educational Foundation to handle the exchange programs called for in the Buenos Aires Convention. In collaboration with the Ministries of Education of the American Republics, foundation officials focused on developing and improving educational facilities in Latin America.[66] Working together to reduce illiteracy, to improve primary, secondary, and normal schools, and to expand the teaching of English, and vocational training, these elites hoped to enhance the earning power and improve the health conditions among the "low-income" populations of Latin America. Ideally, rising literacy levels would also create a "more enlightened public opinion." Once properly educated and informed, this public would then, officials hoped, resist totalitarian

[64] Akin to Ross, 29 October 1945, Regional Division: Coordination for Ecuador, General Records, Entry 111, Box 1393, RG 229, NACP.
[65] Scotten to Hull, 20 November 1944, Central Files 1940-1944, Box 3838, RG 59, NACP.
[66] Akin to Ross, 29 October 1945, Regional Division: Coordination for Ecuador, General Records, Entry 111, Box 1393, RG 229, NACP.

influences.[67] Policymakers designed the agreements under this new exchange program to last three years, and each would involve the loan of U.S. specialists, the training of Latin American specialists in the United States and the joint creation of educational materials.[68]

While ostensibly a mutual exchange program attuned to the specific needs of each country, as with earlier "reciprocal" programs, officials chose training methods that would primarily train Latin Americans in the ways of the United States. As Kenneth Holland from the Coordinator's Office argued, education in Latin America had a "cultural and classical" emphasis while that in the United States was more "technical and scientific."[69] At a time when the United States was showing the world its strength and efficiency, the assumption was that the "technical" and the "scientific" were attributes to be emulated. These characteristics were also hallmarks of the Axis powers. Thus officials emphasized both technical and scientific knowledge in their efforts to offset Axis influence in the region.

As elites in the United States and Latin America worked to perfect the exchange programs, the number of scholarships allowing Ecuadorians to travel to the United States continued to grow. From October 1942 to October 1943, 150 Ecuadorian grantees traveled to the United States. This was a considerable jump in numbers from the 163 who had traveled to the United States during the previous two years combined. Seventy-seven of those 150 Ecuadorians received grants from U.S. agencies, while many of the others received travel money from the Ecuadorian government. Twenty-two of those seventy-

[67] Akin to Ross, 29 October 1945.
[68] Scotten to Hull, 20 November 1944, Central Files 1940-1944, Box 3838, RG 59, NACP.
[69] Akin to Ross, 29 October 1945.

seven were students, eight of them were laborers, and the rest were government officials or professional men—physicians, educators, teachers, army officers, journalists, engineers, and pilots.[70] Thus the exchange programs attracted a cross-section of Ecuadorian society. In addition to those receiving official support, 56 private travelers from Ecuador had also come to the United States, with 24 of them receiving some form of U.S. financial aid.[71]

The exchange program between the United States and Ecuador appeared to be progressing nicely; yet political turmoil in Ecuador threatened to slow this progress. In May 1944, José María Velasco Ibarra ousted Carlos Arroyo del Rio in the so-called Glorious Revolution. Velasco Ibarra's victory was due at least in part to claims that President Arroyo del Rio had sold out to the United States through his ratification of the Rio Protocol. By the time his term was over, Arroyo del Rio had expressed his desire to sign a bilateral exchange agreement with the United States as part of the Buenos Aires Convention program. In general, though, the record of the Arroyo del Rio Administration concerning education was not stellar. As president, Arroyo del Rio had made some "outstanding gestures in the cultural field," yet during his tenure "educational and cultural activities as a whole had been under a political shadow, teaching elements and the "intelligentsia" generally having then been considered political dynamite of extreme leftist manufacture."[72]

[70] Scotten to Hull, 10 January 1944, Central Files 1940-1944, Box 3838, RG 59, NACP.
[71] Ibid.
[72] Benton to Moe, 25 July 1946, Central Files 1940-1944, Box 4396, RG 59, NACP.

In 1943, the "political shadow" reached a new level when President Arroyo del Rio began insisting that U.S. Embassy officials obtain his approval concerning the list of Ecuadorian candidates chosen for exchange grants before they awarded the grants. According to Ambassador Scotten, Arroyo del Rio was trying to prohibit certain political adversaries from securing travel grants. The president ordered Leopoldo Benites, a leading journalist and opponent of Arroyo del Rio, arrested and jailed far from Quito in the northern coastal town of Esmeraldas. Arroyo del Rio had reportedly learned of Benites's upcoming trip to the United States, sponsored by the National Press Club in Washington. Although Arroyo del Rio eventually released Benites, he did so a few days after the other Ecuadorian journalists selected for the trip had departed. Benites was thus left behind. It seemed that President Arroyo del Rio was similarly concerned about the upcoming trips of journalist Jorge Reyes, and professor Benjamin Carrion. Carrion was a leading Ecuadorian author and former secretary general of the Socialist Party of Ecuador. Following the publication of a series of his articles in *El Comercio* in which he called on Ecuadorians to look to their indigenous past to discover their true identity, Arroyo del Rio had vetoed Carrion's nomination as rector of the Central University in Quito.[73] While Arroyo del Rio did not arrest Carrion as he had done with Benites, clearly Carrion was no friend of the president.[74]

The arresting of grantees was embarrassing and potentially damaging to U.S.-Ecuadorian relations. In the hopes of preventing future incidents, embassy officials

[73] Rodolfo Perez Pimentel, *Diccionario Biografico del Ecuador, Tomo 4*, (Guayaquil: Universidad de Guayaquil, 2001), 89.
[74] Scotten to Hull, 23 February 1944, Central Files 1940-1944, Box 3838, RG 59, NACP.

acceded to Arroyo del Rio's request, and presented the president with a list of candidates for his approval. Scotten ensured Hull, however, that the president was not involved in the actual selection process, nor did he nominate candidates. He simply approved the final list. The ambassador suspected that the president was motivated to take such actions because of his "indifference to or positive animosity towards the Scholarship Selection Committee." The committee included Galo Plaza Lasso, Julio Paredes and Benjamin Carrion. While Galo Plaza's political views were generally in-line with Arroyo del Rio's, Carrion was not the president's favorite person. According to Scotten, Arroyo del Rio had appointed Julio Paredes to the in order to add balance. Reportedly a "tool of the president," Paredes served as the committee chairman. Despite this, he had been "distinctly inactive" in committee operations. This suggested to the ambassador a more general feeling of apathy towards the committee and some of its members by President Arroyo del Rio.[75]

While trying to be respectful of the Arroyo del Rio administration, Scotten and others at the embassy tried to figure out a way to correct this problem. They realized that the current situation restricted the field of qualified candidates by omitting cultural leaders simply because they were political enemies of the current administration.[76] If the exchange programs were to be successful in the long-term, the most qualified and influential Ecuadorians had to have the chance to participate, regardless of their political affiliations. The current situation could also cause political problems since by involving

[75] Scotten to Hull, 23 February 1944.
[76] Ibid.

President Arroyo del Rio in the selection process, no matter at what stage, critics could charge that the United States was "mixing in local politics by unduly favoring the present administration." Officials in Washington hoped to avoid this type of criticism during this Good Neighbor era. Fortunately for the United States, this problem resolved itself thanks to Velasco Ibarra and his Glorious Revolution.[77]

In its immediate aftermath, however, the sudden change of administrations brought on by Velasco Ibarra's revolution worried officials in Washington. As with the negotiations over the Galápagos base, these policymakers were not sure if Velasco Ibarra would continue the negotiations begun by Arroyo del Rio for a bilateral exchange agreement. In Ecuador, however, Velasco Ibarra's coup "aroused great optimism and fervor," as the local press reported that the new president would seek "national reconstruction" through education. Education reform was often part of a Velasco Ibarra administration. The new president planned to accomplish this with a variety of laws and decrees aimed at ending illiteracy and expanding opportunities for higher education, including the establishment of a new night school at the Centro Ecuatoriano-Norteamericano.[78] Officials in Washington were cautious, however, since Velasco Ibarra had never made a secret of his cultural allegiances—he clearly favored Europe over the United States. Ambassador Scotten warned that all of Velasco Ibarra's proclamations regarding education were generally political in nature. Yet he remained optimistic, saying that "a deep show of interest on its part in education would offer a sharp contrast with the

[77] Scotten to Hull, 23 February 1944.
[78] Ibid.

attitude of most previous Governments."[79] Shortly after assuming power the Velasco Ibarra administration began showing its intent.

On 20 November 1944, the Ecuadorian Minister of Education Alfredo Vera "expressed emphatic immediate interest" in signing a cooperative exchange agreement with the OCIAA.[80] The minister also emphasized the desire that "the popular Government that rules the destinies of the country has in fomenting in the most ample manner cultural relations between our countries with the noble and disinterested object of knowing each other better and of sincerely serving the cause of democracy." According to this lofty rhetoric, the Velasco Ibarra administration considered strengthened cultural ties with the United States to be part of its populist mandate. With this display of friendship on the part of the president, Holland and Vera signed the bilateral agreement on 22 January 1945, with both governments praising the other for its efforts in strengthening the ties between Ecuador and the United States.[81]

With the agreement ratified, the number of Ecuadorians traveling to the United States increased. In his 1944 report on the Student-Scholarship program for Ecuador, cultural attaché Dominic de la Salandra reported that 181 Ecuadorian students had come to the United States to pursue professional or academic studies From October 1943 to October 1944.[82] Seventy-six of those students financed their own trip, while forty received grants from the Ecuadorian government, and sixty-five received funds (scholarships, fellowships and travel grants) from U.S. sources. These numbers revealed

[79] Scotten to Hull, 23 February 1944.
[80] Scotten to Hull, 20 November 1944, Central Files 1940-1944, Box 3838, RG 59, NACP.
[81] Scotten to Stettinius, 1 February 1945, Central Files 1945-1949, Box 4785, RG 59, NACP.
[82] Scotten to Stettinius, 19 February 1945, Central Files 1945-1949, Box 4788, RG 59, NACP.

a shift in the scholarship program, with seven times as many Ecuadorians receiving local grants compared with the previous year. The number of those receiving U.S. grants, on the other hand, had dropped. Salandra could not explain this development since U.S. agencies were reportedly still interested in funding the exchanges. On a positive note, he argued that the relatively high number of Ecuadorians who had been willing to finance their own trip indicated "a realization on the part of Ecuadorans of the advantages to be gained from a training obtained in the United States, advantages of a national as well as personal nature." This realization seemed to extend to the Ecuadorian government as well since the increase in the number of local grants suggested to Salandra that Ecuadorian officials were also "conscious of the advantages accruing from an American training." This kind of progress pleased officials in Washington.[83]

Despite the continued development of the exchange programs, however, technical difficulties still plagued daily operations. In their most idealistic form, these exchange programs existed outside of the world of politics. Yet as with the case of the distribution of awards in Ecuador, the reality was at times different. Because most officials involved in the exchange programs recognized that the goals were long-term in nature, they worked hard to adjust the existing programs to the emerging postwar world. In 1945, the American Consul General in Ecuador, Joseph F. Burt, reported that many Ecuadorian grantees were now unwilling to re-establish themselves in Ecuador after their period of study or training in the United States ended.[84] This was a problem, since one of the long-

[83] Scotten to Stettinius, 19 February 1945.
[84] Burt to Hull, 1 February 1945, Central Files 1945-1949, Box 4788, RG 59, NACP.

term goals was to modernize Ecuador by training local leaders in the practices of the United States. These leaders, it was assumed, would then share with their fellow Ecuadorians what they had learned once they returned home. If the scholarship recipients refused to work in Ecuador after their stay in the United States, this crucial link in the modernization process would be broken.

Burt described two recipients of trade scholarships given jobs by an "American concern" upon their return to Ecuador. Both men were earning salaries "considerably in excess" of what they had earned before their training in the United States. Yet both men had recently applied for immigration visas to the United States because they were "so thoroughly discouraged about conditions in Ecuador." [85] These trainees felt that their futures, and the futures of their families, would be more secure in the United States. Burt insisted that the cases described in his report were not exceptional, yet he did not entirely blame the trainees for their reluctance to stay in Ecuador. He confirmed that the "recurring political problems" mentioned by several of the trainees did in fact make life complicated in Ecuador. This was, of course, around the time of the Glorious Revolution when street demonstrations and economic inflation disrupted daily life. Perhaps understandably, short-term concerns of security and stability for themselves and their families trumped long-term goals for many of the Ecuadorians brought to the United States for training. As with the problem of political meddling, the most that officials seemed able to do at this point was to wait and hope that the problem resolved itself.

[85] Burt to Hull, 1 February 1945.

Not all Ecuadorian grantees refused to work in Ecuador after their experience in the United States. In 1941, Dr. Emilio Uzcátegui, a "prominent person" in Ecuadorian teaching circles, traveled to the United States under the auspices of the American Association of Schools of Social Work.[86] This was not Dr. Uzcátegui's first trip to the United States, however. From 1930 to 1931 he had studied education at Teacher's College at Columbia University in New York. Upon his return to Ecuador, Uzcátegui served as a Senator, and continued his work in the field of education. Yet despite the fact that he had studied in the United States, Dr. Uzcátegui reportedly made "no effort to hide the fact that so long as he considered that American foreign policy followed an imperialistic trend he was anti-American."[87] While some officials in Washington seemed to assume that contact with the United States alone would somehow change a person's anti-Americanism, clearly the reality could be more complicated. The report did not reveal whether or not the awarding of a travel grant to Uzcátegui was a direct effort to change his anti-Americanism—such efforts were made later under the Foreign Leader Program—but according to Salandra, the trip changed Uzcátegui's opinion of the United States.

During his one-month stay in the United States, Uzcátegui visited schools of social work, observed social workers in the field, and conferred with representatives from the American Association of Schools of Social Work.[88] He also met with officials from the Children's Bureau and other governmental agencies to discuss health and welfare

[86] Scotten to Hull, 25 November 1944, Central Files 1940-1944, Box 3838, RG 59, NACP.
[87] Ibid.
[88] Ibid.

issues. The goals of these meetings were to develop "practical plans" for an expanded interchange of information and experience, utilization of teaching materials, and development of exchange fellowships and professors between Ecuador and the United States. Apparently Uzcátegui's trip had been a success; he was now described as "one of the most effective friends of the United States to be found in Ecuador." He published an article in *El Comercio* titled "We Must Help the United States" following the Japanese attack on Pearl Harbor, as well as a collection of his writings called "At War Against Nazism" in which he argued for hemispheric solidarity against Axis ideologies. Uzcátegui also used his political connections to help establish the Night School of the Centro Ecuatoriano-Norteamericano of Quito, of which he served as director. According to Salandra, "all evidence seems to indicate that Dr. Uzcátegui will continue in the future to work toward a better understanding between the United States and Ecuador."[89]

While Uzcátegui was an established member of the intellectual elite in Ecuador at the time of his U.S. visit, Dr. Feliz Miguel Albornoz was still a graduate student when he traveled to the United States. Thanks to a Roosevelt Fellowship obtained from the IIE, the 27-year old Albornoz came to the United States to study journalism at Columbia University during the 1942 to 1943 school year.[90] At the time of his trip, Albornoz was a high-school teacher in Quito, as well as a contributing writer for *El Comercio*. While in the United States Albornoz worked as the New York correspondent for the Quito daily, writing articles about the United States at war that "helped a great deal to increase the

[89] Scotten to Hull, 25 November 1944.
[90] Ibid.

pro-American tone of *El Comercio* at a time when that tone was not very strongly marked."[91] He also worked as a reporter for United Press and as head of the Latin American publicity department of the CIAA programs while living in New York. Clearly busy with school and work, Albornoz somehow found the time also to start an Ecuadorian Students' Association at Columbia.

Albornoz continued to impress embassy officials after he returned to Ecuador. As he had done in New York, he published a series of articles "favorable to the United States" for *El Comercio*. Now working as the assistant director of the paper, Albornoz was putting into practice the techniques that he had learned in the United States. Advertisements had disappeared from the front page of the paper, while there was a greater emphasis now on "news reporting" rather than general observation as "there is a movement away from the philosophical and sentimental columnizing in which local newspapers so largely deal."[92] As with the previously discussed analysis of education in Latin America by Kenneth Holland, which contrasted the "cultural and classical" with the "technical and scientific," policymakers considered a move away from the "philosophical" and "sentimental" to be an improvement.

Perhaps because of Albornoz's work at the paper, in 1944 the Columbia School of Journalism awarded the Mary Moors Cabot prize in journalism to *El Comercio*. Presented annually to Latin American newspapers that helped to foster inter-American unity, the award signaled the approval of journalism elites in the United States for the work done by

[91] Scotten to Hull, 25 November 1944.
[92] Ibid.

Albornoz and his staff. According to Salandra, this award was further evidence that Albornoz was a "sincere and objective friend" of the United States who was valuable "especially as (below the surface) the chief influences on this daily [*El Comercio*] in the past have been only grudgingly friendly to the United States, tending to strong Ecuadoran nationalism." For his next position, Dr. Albornoz was considering an offer to teach journalism at Central University in Quito, thus extending his U.S. training through teaching. Salandra concluded that Albornoz "may be counted on to collaborate closely on all efforts to promote closer ties between Ecuador and the United Sates."[93]

The reports on Uzcátegui and Albornoz suggested the potentially long-term impacts that the exchange programs could have. Yet from 1946 to 1948, Congressional appropriations for these programs dwindled. By 1948 this funding had reached a postwar low.[94] In part this decline was due to a new focus in Washington on rebuilding and rehabilitating Europe and Asia. To facilitate this process, policymakers now adapted and expanded worldwide the cultural exchange programs begun with the nations of Latin America during the war through the passage of new legislation. The Fulbright Act of 1946, for example, authorized the State Department to enter into bilateral exchange agreements with foreign countries around the world.[95] It took over a decade before the first Fulbrighter came to Latin America since the initial emphasis of the program was on Europe.

[93] Scotten to Hull, 25 November 1944.
[94] Espinosa, 228.
[95] Bu, 155.

Despite this shift in focus from Latin America to Europe and Asia, exchanges with the nations of Latin America continued. A comparison between the appropriations for Latin America, and those for Europe, Asia, and Africa at the 1948 low-point, reveals that the Latin American programs still received the majority of the funding—$3,957,836 for Latin America, compared with $291,878 for the other regions combined.[96] Thus the termination of the war did not end U.S. cultural relations generally, or educational exchange programs specifically, with the nations of Latin America. The period from 1946 to 1948 was rather one of shifting priorities and new legislation as the United States and nations around the globe adjusted to the postwar world.

From 1940 to 1948, policymakers worked to solidify and maintain U.S. dominance in Latin America through the establishment and funding of American schools and educational exchange programs. These schools and programs were part of an ideological battle between the democratic, capitalist system promoted by Washington, and the state-directed fascism of the Axis powers. By exposing Latin American students and leaders to an education in the United States and in U.S.-styled schools, policymakers hoped to convince their good neighbors of the superiority of the U.S. system. As the war wound down, and with the battle against fascism over, officials in the United States turned their attention across the seas and away from Latin America. Unfulfilled promises from the war years soon threatened to undermine U.S. hegemony in Latin America at precisely the same time that policymakers attempted to solidify this hegemony throughout the Third World.

[96] Espinosa, 233.

III. The Cold War, 1949-1957

5. The 200-Mile Limit

During World War Two, pro-U.S. elites in Ecuador offered the use of Ecuadorian territory for the establishment of U.S. military bases to protect the Western Hemisphere during the wartime emergency. U.S. Marines constructed these bases in 1941 following the Japanese attack on Pearl Harbor. But by 1944, with the war winding down and the Ecuadorian public increasingly convinced that their leaders had sacrificed Ecuadorian sovereignty in exchange for little from the United States, president Velasco Ibarra began negotiating for the return of the bases—a process that was finally completed in 1948. That same year, Ecuadorians elected Galo Plaza Lasso as president. From 1948 to 1952, Galo Plaza oversaw a rapidly developing Ecuador, and despite several challenges to his authority, he became the first Ecuadorian president in twenty-eight years to complete his constitutional four-year term.

The election of Galo Plaza marked the beginning of a period of presidential stability in Ecuador with three elected presidents finishing their full terms of office—Galo Plaza (1948 to 1952), Velasco Ibarra (1952 to 1956, his third term), and Camilo Ponce Enriquez (1956 to 1960). Galo Plaza's presidency issued in a period of presidential stability in Ecuador the likes of which had not been experienced since the years 1912 to 1924. Political stability helped stimulate economic growth during the Galo Plaza years. As president, Galo Plaza strengthened economic and business ties with the United States by bringing in the United Fruit Company to run the Ecuadorian banana industry—a move that helped make Ecuador the leading producer of bananas in the world. Relations between the United States and Ecuador during the first three years of Galo Plaza's

administration were strong. In 1951, the President Truman invited Galo Plaza to Washington. Galo Plaza hoped to secure loans from the United States while officials in Washington focused on Cold War concerns—a contract for the use of the military bases on the Galápagos in case of war, and the supposed danger of communists infiltrating the national labor party of Ecuador.[1]

Yet relations between Ecuador and the United States during this era were not always close. In 1950, the Ecuadorian Navy began arresting, detaining, and fining U.S. fishermen operating in waters claimed as sovereign territory by the government of Ecuador. In 1952, Galo Plaza issued Presidential Decree 003, which asserted that the territorial waters of Ecuador extended twelve miles from the mainland, and from the coast of the Galápagos.[2] This definition of Ecuadorian territorial waters directly challenged the three-mile limit historically supported by the United States. Thus began years of negotiations—and further arrests—that lasted well into the 1970s.

This chapter examines the bilateral and multilateral negotiations involved in the territorial waters dispute. This issue was especially complex and difficult to solve because it involved the conflicting interests of a variety of elites in both countries. For the United States, this meant State Department officials, including secretaries of state Dean Acheson and Allen Dulles, U.S. ambassadors to Ecuador John Simmons, Paul Daniels, Sheldon Mills and Christian Ravndal, leaders of the two main tuna fishing unions on the West Coast (the American Tunaboat Association, and the Seafarers International Union

[1] "Things We Want From President Plaza," 15 June 1951, Central File 1950-54, Box 3292, RG 59, NACP.
[2] Willard Barber to Maurice Bernbaum, 15 November 1950, Central File 1950-54, Box 4588, Record Group (hereafter RG) 59, National Archives at College Park, Maryland (hereafter NACP).

of North America) and their Congressional representatives. Ecuadorian presidents—primarily Galo Plaza Lasso and Velasco Ibarra—played leading roles by issuing executive decrees that changed Ecuadorian fisheries legislation. Officials at the Foreign Ministry, especially foreign ministers Neftali Ponce Miranda, Teodoro Alvarado Garaicoa, Luis Antonio Peñaherrera, Rafael Arizaga Vega, Jorge Villagomez Yepez and Carlos Tobar Zaldumbide, the Ecuadorian Ambassador to Washington José Ricardo Chiriboga Villagómez. Naval officers and seamen, as well as local congressmen also played their part. From 1950 to 1957, the continued arresting, fining and even wounding of U.S. fishermen by the Ecuadorian Navy strained U.S.-Ecuadorian relations. Initially, elites in Washington reacted to these incidents by sending notes of protest stating the U.S. support of the three-mile limit and the right of innocent passage.

The first phase of the bilateral negotiations concerning the territorial waters issue under examination (1949 to 1952) included changes in Ecuadorian fisheries laws that led to the capture of U.S.-flag fishing vessels. These arrests led to protests from Washington, but it quickly became obvious that these protest notes were ineffective. In 1953 representatives from Ecuador and the United States thus met to try to work out a modus operandi whereby U.S. fishermen could continue to operating in Ecuadorian waters. These attempts at compromise marked a second phase of negotiations, which lasted roughly from 1953 to 1957. With newly elected presidents in both countries, policymakers involved in the territorial waters negotiations hoped that a fresh perspective would facilitate an equitable solution to the problem. The conference settled little, however, and the arrests continued. From 1953 to 1957, policymakers in Washington and

Quito, operating against a tense background of growing animosity between their two governments, increasingly sought multilateral solutions to the territorial waters problem.

For the government of Ecuador, the shift towards a multilateral approach began in 1952 when representatives from Chile and Peru persuaded Ecuadorian officials to join them in Santiago for a tri-partite fishing conference. The resultant Santiago Accord declared the territorial waters of Chile, Ecuador and Peru (CEP) to extend to 200 miles from the coast of each nation. The ratification of the Santiago Accord by all three governments in 1953 led to an increase of multilateral negotiations as representatives from the United States challenged CEP claims. In 1955, representatives from the governments of Chile, Ecuador and Peru met with their counterparts from the United States to try again to settle the dispute. Following this conference, delegates participated in a series of special sessions to discuss the territorial waters issue held during the 1955 Organization of American States conference in Caracas, Venezuela, as well as a 1956 special session of the United Nations that developed proposals for the 1958 Conference on the Law of the Sea held in Geneva.[3] Despite repeated efforts to settle the problem, however, officials accomplished little during this period. By 1957, fundamental differences of opinion between the government of the United States and Ecuador persisted.

To complicate matters, elites in Washington and Quito faced domestic pressures to settle the territorial waters dispute. Leaders of the powerful California fishing unions

[3] Charles Swan, and James Ueberhorst, "The Conference on the Law of the Sea: A Report" *Michigan Law Review* 56, no. 7 (1958): 1132-1141.

repeatedly urged their Congressmen to convince State Department officials to force Ecuador to end the detaining and fining of their vessels and fishermen. Local fishing interests in Ecuador—particularly in the coastal town of Manta—exerted similar pressure on the Ecuadorian government in order to maximize profits for their own people. Whenever the diplomats from Quito and Washington met to discuss the territorial waters issue, each group had to protect their own domestic interests as well. These pressures also influenced the various multilateral negotiations.

Unlike the 1941 to 1948 period, the years 1949 to 1957 were ones of relative political stability in Ecuador. Yet repeated clashes with the government of the United States over the question of territorial waters tested U.S.-Ecuadorian relations, and challenged U.S. hegemony in the Third World. While elites in Quito and in Washington had worked during the war to solidify the U.S. Empire in Latin America, the emergence of the Cold War brought new challenges to the maintenance of that empire. As officials in Washington focused on rebuilding Europe and containing communism, they seemed to leave behind Ecuador and the nations of Latin America—a process that had begun even before the war was over. Though this strained U.S.-Ecuadorian relations during this period, a number of Ecuadorian elites continued to push for close relations with the United States. Debates during this era often focused on how best to operate within a world that, with the emergence of the Cold War, was once again experiencing a period of transition. While Ecuadorian policymakers may have pushed the United States to adopt policies that would favor their own citizens, seldom, if ever, did those elites suggest

breaking with the United States altogether. For their part, officials in the State Department never employed the degree of force urged by some in Congress.

Disputes between the United States and Ecuador over territorial waters, and the rights of fishermen to exploit the resources in these waters, began as early as 1934. On August 29 of that year, the government of Ecuador passed a new fishing regulation that extended Ecuadorian sovereignty over waters up to six miles from the coast of Ecuador.[4] U.S. reaction to this declaration was clear; embassy staff informed the government that "the United States cannot admit the right of the Ecuadoran Government to apply its fishing regulations to American vessels beyond the belt of three miles from low water mark."[5] During the late 1940s, however, disputes over these waters increased as countries around the world laid claim to the resources of the sea. This trend was a reaction to proclamations made by President Harry Truman on 28 September 1945. The Second World War had revealed the importance of natural resources such as oil to the development of the United States. In the Truman Proclamation on the Continental Shelf, President Truman therefore claimed for the United States the natural resources found in the subsoil and seabed of the Continental Shelf adjacent to the U.S. coastline.[6] The second proclamation claimed the right of the United States to conserve the natural resources of the fisheries located adjacent to its coast.[7]

[4] Barber to Bernbaum, 15 November 1950.
[5] Ibid.
[6] Ram Prakash Anand, *Legal Regime of the Sea-Bed and the Developing Countries,* (India: Thomson Press, 1975), 32-33.
[7] Thomas Wolff, *In Pursuit of Tuna: The Expansion of a Fishing Industry and its International Ramifications—The End of an Era*, (Tempe: Arizona State University, 1980), 48.

Truman's Continental Shelf proclamations set off a global wave of similar decrees, with leaders of various nations using Truman's words as precedent.[8] From 1940 to 1950, Mexico, Argentina, Chile, Argentina, Peru, and Saudi Arabia issued official declarations that extended the jurisdiction of each government over waters beyond the three-mile limit—sometimes extending that limit to as far as 200 miles from the coast.[9] In each case, the United States, through the Department of State and its embassies, issued formal, though often private, messages of disapproval to those leaders who challenged the three-mile limit. The government of Mexico, for example, received two such warnings, one in 1948 and one in 1950, when the Mexican Navy began arresting U.S. shrimping vessels operating within nine miles of the Mexican coast. In the case of Ecuador, rumors of new fishing regulations began reaching officials in the Department of State in 1950, and by 1958, roughly twenty states had claimed sovereign rights over their Continental Shelf.[10]

Despite the fact that the Truman Proclamation only mentioned the resources found within the subsoil of the Continental Shelf, many world leaders expanded on this idea by also claiming the resources found within the waters covering the Continental Shelf.[11] Such claims, according to U.S. officials, challenged the traditional right to innocent passage—the right of non-military vessels to pass freely through the territorial waters of a nation—which was something that the Truman Proclamation had been careful

[8] Barber to Bernbaum, 15 November 1950.
[9] Ibid.
[10] Anand, 34. These included: Mexico, Argentina, Chile, Peru. Costa Rica, El Salvador, Honduras, Brazil, Ecuador Guatemala, Nicaragua, Panama, Saudi Arabia, Iran, various British interests in the Persian Gulf and the Caribbean as well as Pakistan, Israel, and South Korea.
[11] Anand, 33.

to protect.[12] U.S. officials insisted that foreign leaders had misinterpreted the U.S. position. According to them, Truman's words in no way pertained to the activities of foreign fishermen operating in the waters adjacent to the United States—they merely reserved the right of the United States to establish conservation zones in these waters if it became necessary.[13] All of this was complicated further in 1953 when President Eisenhower signed into law the Submerged Lands Act, and the Outer Continental Shelf Lands Act.[14] Both Truman and Eisenhower sought to clarify the rights of states and the U.S. federal government to exploit the resources found within the Continental Shelf

As with other industries in the United States during the 1950s, the California fishing industry had to adjust to changing global realities as the Cold War deepened. For fishermen, this meant increased competition from fishing industries in Latin America and Japan, as well as a lower level of protection provided by the U.S. Congress. Since 1900, California fishermen had expanded their territory from local waters off the coast of the United States into the rest of the eastern Pacific Ocean.[15] By World War Two, companies had firmly established the industry. Wartime restrictions imposed by the U.S. government on their activities, however, meant that California fishermen could no longer fish the waters of Ecuador and Peru. During the war the U.S. government also requisitioned fishing vessels, and limited the provisions—especially oil—that vessels could carry

[12] Lawrence Juda, *Ocean Space Rights: Developing U.S. Policy*, (New York: Praeger Publishing, 1975), 22.
[13] Wolff, 48-50.
[14] Juda, 27-30.
[15] Thomas Wolff, *In Pursuit of Tuna: The Expansion of a Fishing Industry and its International Ramifications—The End of an Era*, (Tempe: Arizona State University, 1980), Introduction.

onboard.[16] Conversely, the wartime isolation imposed by the government, which sheltered the industry from foreign competition, also allowed it to continue developing.[17] The industry rebounded following the end of the war as new technological advancements improved efficiency so that companies could satisfy a domestic population that had developed a taste for canned tuna during the war years.[18]

By the end of the war, despite possessing the most advanced equipment and techniques, a trade agreement with Japan threatened the livelihood of U.S. tuna fishermen. In 1951, the U.S. and Japan signed a Peace Accord officially ending the World War Two belligerence between the two nations. As part of this accord, policymakers in the United States granted Japanese fishermen greater access to territories in the Pacific that U.S. fishermen had previously monopolized. The accord also relaxed tuna import restrictions in order to provide the Japanese with a market for their fish. Policymakers in Washington did not want to "lose" another Asian country to the Communists. Of course U.S. tuna fishermen had faced foreign competition before, but usually their union had been able to convince Congress and the State Department to provide the protection they needed in order to operate. Now, however, the global environment had changed, and it was less clear that Washington officials either would be willing or able to protect the industry. Faced with this competition from the Japanese, U.S. tuna processing companies such as Star Kist Foods and Van Camp spent the 1950s

[16] Wolff, 6-7.
[17] Ibid., 14.
[18] Ibid., 8.

expanding their processing divisions into Puerto Rico, Peru, Chile and Ecuador.[19] New canneries increased the demand for fresh tuna to supply the canning machines. This demand, plus the encroachment of Japanese fishermen in waters formally monopolized by U.S. fishermen, pushed U.S. fishing companies to send more and more boats into Latin American waters in search of tuna.

In May of 1950, word reached Washington that the government of Ecuador was considering changes to its fishing regulations.[20] Under the current system, foreign-flagged vessels could fish in Ecuadorian waters after first purchasing the appropriate permits and licenses. U.S. fishermen would typically first secure a permit at the Ecuadorian Consulate in San Diego, and then purchase a license upon arrival in Ecuadorian waters. Once captains of foreign-flagged vessels reached Ecuadorian waters, they could then radio ashore to purchase a license. Debate over new regulations centered on the issues of these radio requests, and the cost of the licenses. If the government of Ecuador changed the regulations, Harold Cary, the General Manager of the American Tunaboat Association, warned that the price of licenses would double, and ship captains would no longer be able to radio for a license once they reached Ecuadorian waters. Owners of all foreign-flagged vessels would now have to know that they were going to fish for tuna in Ecuadorian waters before they left the United States. Knowing this ahead of time proved challenging, however, since the natural migration of tuna made it difficult for fishermen to know where the fish would be at any given time. In addition, the owners

[19] Wolff, 9-10.
[20] Webb to Bernbaum, 11 May 1950, Central File 1950-54, Box 4588, RG 59, NACP.

would have to pay twice as much as before to secure the appropriate license. Cary warned that the rumored changes could hurt the Ecuadorian economy as U.S. fishermen—who were earning 18 percent less per ton than they were the previous year—might not be able to afford the license fees. Fishermen might choose to avoid Ecuadorian waters altogether, and the government of Ecuador would lose this revenue source.[21]

Acting on Cary's Report, Undersecretary of State James Webb notified Ambassador Maurice Bernbaum that they were concerned "over the possibility that this [Economic] Council contemplates a fishing law which will be arbitrarily enforced against the nationals and vessels of other states beyond three miles seaward from the Ecuadoran coast."[22] U.S. officials hoped to effect a change in Ecuadorian policy by insisting that such changes would hurt the Ecuadorian economy.

In Ecuador, the National Economic Council was preparing to meet as instructed by President Galo Plaza. The president wanted to develop the nascent fishing industry in Ecuador, and he argued that the failure of his government to protect and develop this industry would cause "grave harm" to the Ecuadorian economy.[23] The president of the council, Alberto Llarea Chiriboga, informed the president that the council had found justification for making the proposed changes "in the least possible time."[24] Llarea and the others hoped this bill would "fill the gaps" in existing fisheries legislation while also encouraging the industrialization of fishing in Ecuador so that one day Ecuador could

[21] Webb to Bernbaum, 11 May 1950.
[22] Barber to Bernbaum, 15 November 1950.
[23] State Department Translation of *Registro Oficial*, 23 February 1951, Central File 1950-54, Box 4599, RG 59, NACP.
[24] Ibid.

become an exporter of processed fish rather than just fish in their natural state, which brought lower revenues. With the support of his economic council, on 22 February 1951, Galo Plaza issued Presidential Decree 003, stating that "the State exercises its sovereignty over the territorial waters (of the insular and continental seas, lakes, lagoons, and river systems) and their resources." The decree further defined these "territorial waters" as extending to twelve miles from the low-tide mark off the Ecuadorian coast and the Galápagos.[25]

Under the new law, all foreign-flagged fishing vessels needed to purchase the proper permits and licenses before fishing in Ecuadorian waters. For now, captains could still request licenses via radio as long as they had purchased a permit before leaving the United States.[26] Through Ambassador Paul Daniels, officials at the Department of State including Wilbert McLeod Chapman, who was serving as a Special Assistant to Undersecretary Webb, expressed their concern over the new law. First, they pointed out that the inclusion of a twelve-mile belt around the entire Galápagos Archipelago effectively ignored the fact that as 90 miles of water separated some of these islands. The protected zone would therefore extend well past the twelve mile limit in some cases. In addition, the language used to exert governmental control over the natural resources of the continental shelf implied "an unlimited degree of control and protection over fishing

[25] State Department Translation of *Registro Oficial*, 23 February 1951, Central File 1950-54, Box 4599, RG 59, NACP.
[26] Royce Wight to Department of State, 4 April 1951, Central File 1950-54, Box 4588, RG 59, NACP.

areas corresponding to the continental shelf."[27] Such a definition was a direct challenge to the U.S. commitment to enforcing the three-mile limit.

This definition of Ecuador's territorial waters also introduced another issue that would plague the negotiations over territorial waters for the next decade—the meaning of the term "conservation." From the perspective of policymakers involved in the territorial waters negotiations "conservation" meant both the protection and the exploitation of the natural resources found in the waters adjacent to the continental shelf. Ecuadorian officials used the rhetoric of conservation to argue that they needed to protect the fish found in this zone so that they could develop a domestic fish-export industry. U.S. officials, however, challenged this conservation defense. They claimed that if the government of Ecuador truly wanted to conserve the species found in its territorial waters, then it should commission scientific studies of the supposed problem, and join international organizations, such as the Inter-American Tropical Tuna Commission, which provided multilateral sites where delegates could discuss conservation issues.[28] Each time U.S. officials spoke of conservation, Ecuadorian elites understood this to mean that U.S. fishermen should have access to Ecuadorian territorial waters so that they too could exploit the natural resources found therein. Thus, as they had done with other governments that had passed legislation challenging the three-mile limit, officials at the

[27] Wilbur McLeod Chapman to Paul C. Daniels, 31 May 1951, Central File 1950-54, Box 4588, RG 59, NACP.
[28] This Commission was established in 1949 initially between the governments of the United States and Costa Rica. http://www.iattc.org/PDFFiles/IATTC_convention_1949.pdf.

Department of State sent a note to the Government of Ecuador reserving U.S. interests in the matter.[29]

Soon after the passage of the Presidential Decree, the Ecuadorian Navy began detaining and arresting fishermen on foreign-flag vessels suspected of breaking the new regulations. On 15 September 1951, the Ecuadorian Navy apprehended the *Marico*—a U.S.-flag fishing vessel working for the South Pacific Canning Company of Long Beach, CA. Ultimately the courts fined the ship captain $7,000 for illegal fishing.[30] The *Marico* case highlighted several aspects of the new Ecuadorian law that would ultimately lead to further arrests and fines, as well as a deepening rift between the United States and Ecuador. The captain of the *Marico*, Frederick Libby, claimed that he was only coming to shore in order to make some needed repairs after requesting the proper permits via radio through the Ecuadorian Consulate in California. According to Ecuadorian law, however, the captain needed to obtain the initial permit at the Consulate before leaving the United States. Libby also claimed that he needed more bait, and thus had started for shore when a Navy patrol Navy patrol boat confronted him.[31]

While President Galo Plaza expressed his sympathy in his private discussion with Libby, he stood firm, and said that he could not rule against his cabinet ministers. Despite these setbacks, officials from the State Department and the U.S. Embassy in Quito continued to push for whatever compromises they could get. Ultimately, however, the Minister of Economy, Alfredo Peñaherrera**,** upheld the fine—although he reduced it to

[29] Chapman to Daniels, 31 May 1951, Central File 1950-54, Box 4588, RG 59, NACP
[30] Daniels to Acheson, 19 September 1951, Central File 1950-54, Box 4588, RG 59, NACP.
[31] Daniels to Acheson, 24 September 1951, Central File 1950-54, Box 4588, RG 59, NACP.

$5,388—because officials could not confirm Libby's claim of mechanical problems.[32] As a gesture of good faith, Secretary of State Acheson agreed to notify the California fishing industry that the government of Ecuador had changed the laws, and to suggest that all companies involved should consider purchasing the $200 permits ahead of time, regardless of whether or not they planned to fish near Ecuador, as a precautionary measure.[33] The *Marico* case made it clear that future confrontations were likely as the unanticipated needs of the fishermen would continue to bring them into waters claimed by Ecuador.

The detention of U.S.-flagged vessel *Notre Dame* on 3 November 1951 raised another aspect of the new Ecuadorian fishing regulations that would cause problems over the next few years. Captain John G. Cardosa said he entered Ecuadorian waters in order to take a directional bearing during bad weather. When a patrol vessel stopped them near Isla de la Plata, which is located near the fishing village of Manta, Cardosa insisted that he and his crew were not fishing. He pointed out that they had no fresh fish on board and that their fishing gear was stowed. Cardosa maintained that he and his crew were headed for the fishing banks of Peru when the bad weather hit, but he admitted that he did not have a Peruvian fishing license since the banks were some forty-five miles offshore, and thus well outside the accepted three-mile zone. As further proof that he was not fishing in Ecuadorian waters, Cardosa pointed out that the tuna-fishing season in those waters ran from May to September, and thus there would be no reason for him to be fishing for tuna

[32] Daniels to Acheson, 22 October 1951, Central File, 1950-54, Box 4588, RG 59, NACP.
[33] Acheson to Daniels, 8 October 1951, Central File, 1950-54, Box 4588, RG 59, NACP; and, Herrington to Beaton, 12 October 1951, Central File 1950-54, Box 4588, RG 59, NACP.

in November.[34] Despite these protests, the Government of Ecuador fined the *Notre Dame* $5,700, arguing that it did not matter whether or not Cardosa was fishing within the twelve-mile limit. The important factor was that his ship had passed into these waters without the appropriate permits, thus raising the issue of innocent passage.[35]

In their note of protest over the *Notre Dame* incident, State Department officials argued that the right of innocent passage through territorial waters was "an accepted principle of International Law."[36] The Ecuadorian Navy, they charged, had violated the right of innocent passage when they detained the *Notre Dame* for merely passing through Ecuadorian waters. The Ecuadorians tested this right of innocent passage again on 16 February 1952 when the Navy detained the *Venus* of San Pedro, California in the Gulf of Guayaquil, and fined it $2,848.20 for illegal fishing. As with the *Notre Dame*, there were reportedly no fish on board the *Venus*, and the fishing nets were stowed. In this case, however, the Ecuadorian Navy apprehended the *Venus* ten miles from the coast, and officials at the Department of State worried that protesting against this seizure as they had in the case of the *Notre Dame* might inadvertently support the Ecuadorian claim to a twelve-mile limit on its territorial waters.[37] In the *Notre Dame* case, U.S. representatives had argued that international law ensured the safe passage of non-military vessels through the territorial waters of all coastal nations. If they used the same argument in the *Venus* case, this might imply that the government of the United States considered Ecuadorian territorial waters to extend twelve miles from the coast.

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[34] Richard Courtneys to Acheson, 13 November 1951, Central File 1950-54, Box 2758, RG 59, NACP.
[35] Daniels to Acheson, 14 November 1951, Central File 1950-54, Box 2758, RG 59, NACP.
[36] Royce Wight to Acheson, 22 January 1952, Central File 1950-54, Box 2758, RG 59, NACP.
[37] Wight to Acheson, 21 February 1952, Central File 1950-54, Box 4588, RG 59, NACP.

By August 1952, the government of Ecuador began to qualify just which ships enjoyed innocent passage through Ecuadorian waters.[38] According to U.S. officials, international law guaranteed safe passage to all merchant and non-military ships passing through the territorial waters of any given nation. Ecuadorian officials, however, now insisted that there was a difference between merchant vessels and fishing vessels.[39] No longer were fishing vessels guaranteed free passage through Ecuadorian waters. As with the issue of conservation, discrepancies over the definition of innocent passage would surface repeatedly during this period.

During the early Cold War years, challenges from nations such as Ecuador over the issue of territorial waters, particularly the detaining and fining of U.S.-flag fishing vessels, troubled U.S. policymakers. Having only a decade earlier convinced Latin America governments that defending the hemisphere from fascist attack was a common priority for all American nations, now U.S. policymakers discovered that their arguments in defense of the three-mile limit on territorial waters fell on deaf ears. With twentieth-century advances in weaponry, particularly nuclear weapons, it was hard to convince foreign governments that a protective three-mile zone around all maritime states was a geo-strategic necessity. No longer did belligerents need to pass so close to their target. Thus, despite growing concern in Washington concerning the spread of communism, policymakers found themselves challenged by countries such as Ecuador that no longer believed in a basic tenet of the nineteenth-century model of empire.

[38] Wight to Acheson, 14 August 1952, Central File 1950-54, Box 2758, RG 59, NACP.
[39] Ibid.

Despite the new legislation, domestic pressure in Ecuador intensified as some involved in the fishing industry urged the government to do more to protect their interests. In response, Executive Decree 0160 of 29 January 1952 further modified Ecuadorian fishing regulations. The decree upheld the twelve-mile limit on territorial waters, but now officials would take that measurement from the westernmost points of the coast. This meant that in some areas the territorial waters would actually extend forty or fifty miles from the coast. The new decree also eliminated the option to radio for a permit for those who wanted to fish in the waters around the Galápagos.[40] And while under the old system the Navy received a percentage of any fines levied against offending vessels, the new decree promised 50 percent of any fines to be paid to any Ecuadorian flag vessel that reported the offenders.[41] According to U.S. Embassy officials, this new decree was a reaction to the pressure of local fishing interests within Ecuador, as well as the proposed import duty on tuna, which the U.S. Congress was debating.[42] On 19 September 1951, the U.S. House of Representatives began considering a bill calling for a 30 percent duty on imports of fresh and frozen tuna in order to protect U.S. tuna interests.[43] This measure was the result of pressure exerted by the major tuna companies in the United States who were facing increased competition due to agreements between the U.S. government and other fishing nations including Japan and Mexico.

[40] Wight to Acheson, 1 February 1952, Central File 1950-54, Box 4588, RG 59, NACP.
[41] Ibid.
[42] Ibid.
[43] Luis Antonio Peñaherrera to Neftali Ponce Miranda, 19 October 1951, Series C, Comunicaciones Recibidas de la Embajada en los Estados Unidos, Ministerio de Relaciones Exteriores Archivo Historico de Quito (hereafter MREAH).

Tariff debates in Washington were not the primary concern of fishermen from the Ecuadorian town of Manta, however, as they pushed their government to ban all fishing by foreign-flag vessels in the waters near the town.[44] Arguing that the modern technology used by foreign fishing crews was endangering the lives of Manta families by stripping the waters of fish, Manta fishermen seemed to be concerned primarily with protecting their own territory. According to Oswaldo Tamayo, who was the representative of the American Tunaboat Association in Quito, however, this recent decree designed to protect the fishermen of Manta was in fact the result of the actions of a U.S. citizen named Maurice Rankin.[45]

Rankin's Company Inepaca became one of the major operators in the Ecuadorian fishing community after he secured a contract with the government of Ecuador in 1948.[46] That contract guaranteed Rankin and his company the right to fish for tuna in Ecuadorian waters in exchange for establishing a tuna canning factory on the Ecuadorian mainland.[47] Because of the U.S. tariff on imported canned tuna, however, Rankin never established the factory. He had focused instead on shipping fresh and frozen tuna directly to the U.S. market, where companies either sold or canned it.[48] When Rankin heard that the U.S. Congress was considering a new tariff on imports of fresh and frozen tuna, he mobilized the support of the Manta fishermen's union. He began pressuring the government of Ecuador to restrict foreign-flag fishing in the waters off the Manta coast in order to

[44] Wight to Acheson, 1 February 1952, Central File 1950-54, Box 4588, RG 59, NACP.
[45] Wight to Acheson, 27 August 1952, Central File 1950-54, Box 2758, RG 59, NACP.
[46] Ibid.
[47] Ibid.
[48] Ibid.

protect his profits.[49] This restriction would limit the presence of U.S. fishermen in the waters that Rankin hoped to monopolize, while also weakening his chief local rival, Pesquera Nacional, whose fleet contained several foreign-flagged vessels working under contract with the company.

Officials in the United States also faced increased domestic pressure following the arrest of the *Notre Dame.* Writing in protest from the San Diego Chamber of Commerce, Assistant Manager Arnold Klaus argued that the government of Ecuador had "flagrantly violated all concepts of international law…in an attempt to establish an unknown precedent" by arresting U.S.-flagged vessels.[50] Klaus reported that the fishing community was "greatly disturbed" that the Department of State had not taken swift action. He urged State Department officials to intervene in order to secure the release of the *Notre Dame*, and a withdrawal of the fine, since to do otherwise "would establish the precedent of paying tribute to a country committing an act of piracy."[51] Clearly Klaus was frustrated, as were presumably others involved in the U.S. fishing industry who found their businesses jeopardized by the new Ecuadorian fishing laws, but other international realities limited the options of State Department officials when negotiating with Ecuadorian officials.

Domestic pressure on policymakers at the Department of State continued to mount towards the end of 1952. Writing to Secretary of State Dean Acheson, Senator Warren Magnuson from Washington relayed the concerns of Wilbert McLeod Chapman,

[49] Wight to Acheson, 27 August 1952.
[50] Arnold J. Klaus to Acheson, 15 November 1951, Central File 1950-54, Box 2758, RG 59, NACP.
[51] Klaus to Acheson, 15 November 1951.

the Director of Research at the American Tunaboat Association.[52] Arguing that the situation in Ecuador was serious and "loaded with the possibility of more serious things to come," Chapman reported that some of the U.S. fishermen were beginning to arm themselves to prevent the seizure of their vessels.[53] Pointing out that several captains had been "threatened with seizure" but had managed to flee and escape pursuit, Chapman predicted that "it is only a matter of time until an Ecuadoran gunboat lobs a shell onto one of our vessels and kills some American citizen, at which time there will be hell to pay."[54] Fed up with the situation, Chapman urged Magnusson to pressure officials at the Department of State to do something, believing that "if the State Department takes a firm stand these acts can be stopped overnight."[55] Failing that, Chapman warned that "serious trouble" was on the way.[56]

A few days later, Secretary of State Dean Acheson received another letter protesting the actions of the Ecuadorian government. Harry Lundeberg, the President of the Seafarers International Union of North America, wrote that "this practice of the Ecuadorian Government is not only causing our fishermen immeasurable hardship from a monetary standpoint, but the very lives of these citizens are in constant danger by these pirate-like tactics."[57] Lundeberg also warned that "unless our State Department takes immediate steps to protect these U.S. citizens—these fishermen—like any other red-

[52] Warren G. Manusson to Acheson, 27 October 1952, Central File 1950-54, Box 2758, RG 59, NACP.
[53] Ibid.
[54] Ibid.
[55] Manusson to Acheson, 27 October 1952.
[56] Ibid.
[57] Harry Lundeberg to Acheson, 31 October 1952, Central File 1950-54, Box 2758, RG 59, NACP.

blooded American citizens are apt to take matters in their own hands in self-protection."[58] Lundeberg sent his letter to President Eisenhower, Senators Knowland, Nixon, Morse, Kerr, Justice Earl Warren, as well as several union leaders. The response letter from Milton Barall, Acting Officer in Charge of North and West Coast Affairs at the State Department, simply stated that the U.S. government had sent official notes to Ecuador and Peru reserving its rights.[59] At this point State Department officials were more concerned with a shifting global economic system than they were with protecting the interests of the U.S. tuna industry.

As the Ecuadorian Navy continued to detain U.S. fishermen who felt pushed out of their traditional waters by the Japanese, the congressional debate over the new tuna tariff represented another response to the shift in the economic system. While officials at the Department of State understood the concerns of the U.S. fishing industry, they worried that such a tariff would effectively close the U.S. market to Japanese tuna fishermen. This might encourage the Japanese to look towards China to sell their catch. In his presentation before Congress regarding the tariff, Deputy Assistant Secretary of State for Economic Affairs Harold F. Linder emphasized the importance for the Japanese economy of tuna exports to the United States. Linder pointed out that, while Japanese tuna represented only one-tenth of the tuna sold on the U.S. market, it ranked second on the list of Japanese exports to the United States.[60] He also noted that Japan depended on the U.S. market because of the "virtual embargo" on trade with China. A cut in Japanese

[58] Lundeberg to Acheson, 31 October 1952.
[59] Ibid.
[60] Peñaherrera to Ponce Miranda, 14 February 1962, Series C, Comunicaciones Recibidas de la Embajada en los Estados Unidos, MREAH.

tuna imports to the United States could therefore "create significant risks for our policies in the Far East."[61]

The termination of a U.S. trade agreement with Mexico in 1951, which increased the tariff on tuna imported in oil, complicated the tariff situation further.[62] In anticipation of the higher tariff, tuna companies in the United States had imported as much Mexican tuna as they could, and then they had switched over to fresh and frozen tuna to avoid the new tariff altogether. The Mexican case suggested to Linder and others at the Department of State that instead of establishing a blanket tariff on all imported tuna, fresh or frozen, perhaps the industry instead could benefit from limits placed on the amount of duty-free tuna that could enter the market. The government could then apply a tariff on any amount exceeding those limits.[63] Yet despite the warnings of Linder and others, the Senate Finance Committee voted eight to five in May 1952 to recommend passage of the new import tariff.[64] Ultimately, U.S. fishermen lost this battle; the tariff passed the House but not the Senate. Throughout this period tensions remained between Congress—responding to pressure from their domestic constituents—and the State Department—attuned to the global realities facing the U.S. government—concerning how best to balance the competing demands of national and international interests.[65]

Up until this point, representatives from Ecuador and the United States had monopolized the discussions concerning Ecuadorian fishing regulations and their impact

[61] Peñaherrera to Ponce Miranda, 14 February 1962.
[62] Ibid.
[63] Ibid.
[64] Alfonso Moscoso Cardenas to Ponce Miranda, 15 May 1952, Series C, Comunicaciones Recibidas de la Embajada en los Estados Unidos, MREAH.
[65] Wolff, 14.

on the U.S. tuna fishermen. This issue actually involved several other countries that had already declared territorial rights over waters beyond the traditional three-mile limit recognized by the United States. Yet U.S. officials still refused to budge. Faced with the intransigence of policymakers who would not acknowledge the right of governments to extend their territorial waters, the governments of Ecuador, Chile and Peru began joint negotiations to try and exert pressure on Washington to abandon the three-mile limit. This process began in August 1952 when the Chilean Minister of Foreign Affairs, Fernando García Oldini, approached the Ecuadorian Ambassador to Chile, Jorge Fernandez, and presented him with a newly passed Chilean law—written in partnership with representatives from Peru—which claimed a 200-mile limit on territorial waters.[66] Officials from Chile and Peru hoped to convince the Ecuadorians to join them in supporting the 200-mile limit.

To solidify their position, representatives from Chile, Ecuador and Peru (referred to as CEP throughout this period) gathered in Santiago to discuss the "indiscriminate" fishing off the coasts of their countries.[67] Ecuadorian officials did not immediately sign the resulting Santiago Accord, instead requesting more time to study the various positions. For his part, Ambassador Fernandez pointed out that other countries were likely to push for an extension of the three-mile limit, and he believed that the OAS

[66] Jorge Fernandez to Ponce Miranda, 12 August 1952, Series V, Cablegramas Recibidos de Chile, MREAH.
[67] Fernandez to Ponce Miranda, 16 August 1952, Series G, Misiones Diplomaticas del Ecuador en Chile, MREAH.

would soon take up the issue.[68] The Santiago Conference of 1952 foreshadowed this multilateral approach, which policymakers developed more fully during the 1953 to 1957 phase of negotiations.

With the Ecuadorian Navy detaining more and more U.S. fishing vessels, and the cutthroat competition among Ecuadorian fishing companies such as Inepaca and Pesquera Nacional, Secretary of State Acheson decided that this would be a good time to hold a fishing conference between Ecuador and the United States.[69] Both governments were under the leadership of new heads of state—Velasco Ibarra in Ecuador and Dwight Eisenhower in the United States—and perhaps a fresh perspective would help officials settle the territorial waters dispute. In January 1953, Acheson proposed a conference to explore two main issues—the extension of territorial waters to twelve miles by the Ecuadorian government, and the denial of innocent passage to foreign-flag fishing vessels in these waters.[70] A few weeks later, Maurice Bernbaum (who was now the Director of the Office of South American Affairs), Bernbaums' colleague at OSA, Edgar McGinnis, Ecuadorian Ambassador Chiriboga, and William Herrington from the U.S. Department of the Interior, Fish and Wildlife Service, met to discuss the details of the proposed conference.[71] According to Chiriboga, even if Velasco Ibarra wanted to, he could not change the Ecuadorian fishing legislation simply to meet the needs of Washington. Any

[68] Fernandez to Ponce Miranda, 18 August 1952, Series G, Misiones Diplomaticas del Ecuador en Chile, MREAH.
[69] Norman E. Warner to Acheson, 18 December 1952, Central File 1950-54, Box 2758, RG 59, NACP.
[70] Paul Daniels to Acheson, 2 January 1953, Central File 1950-54, Box 2758, RG 59, NACP.
[71] Memorandum of Conversation, 13 January 1953, Central File 1950-54, Box 4588, RG 59, NACP.

modifications at this point would require legislative action.[72] This, of course, was the same argument used by Galo Plaza in the *Marico* case. Since that time, however, the international situation had changed.

With a number of governments passing similar legislation, Chiriboga argued that the Government of Ecuador was now merely doing its part to keep up with international trends.[73] According to Chiriboga, the question of territorial waters had evolved beyond a simple disagreement between the governments of the United States and Ecuador.[74] He suggested that officials could perhaps develop some form of bilateral agreement allowing U.S. fishermen to continue operating in Ecuadorian waters, while government representatives could meet at a multinational conference to discuss the territorial waters issue.[75] The ambassador acknowledged that the Eisenhower Administration faced domestic pressure, and he suggested to the Foreign Minister that perhaps Ecuadorian officials should take into account the impact that the detentions were having on official and public opinion in the United States.[76] He urged his government to accept the U.S. invitation to a bilateral conference.[77]

As plans for the bilateral conference progressed, rumors of an upcoming tri-partite conference between Chile, Ecuador and Peru reached policymakers at the Department of

[72] Memorandum of Conversation, 13 January 1953.
[73] Jose Ricardo Chiriboga Villagomez to Peñaherrera, Series C, Comunicaciones Recibidas de la Embajada en los Estados Unidos, MREAH.
[74] Memorandum of Conversation, 13 January 1953.
[75] Memorandum of Conversation, 13 January 1953.
[76] Jose Ricardo Chiriboga Villagomez to Peñaherrera, Series C, Comunicaciones Recibidas de la Embajada en los Estados Unidos, MREAH.
[77] Ibid.

State.[78] The assumption in Washington was that this conference would address the 200-mile limit outlined in the Santiago Accords of 1952, which participating countries still had not ratified by the participating countries.[79] Hoping to maximize their position at the bilateral conference, Dulles and others worried about the timing of the United States-Ecuador conference. If it occurred before the CEP conference, then U.S. representatives might have the chance to influence the Ecuadorian position at the conference. But, in this scenario Ecuadorian officials would probably be unable and unwilling to make any firm commitments to the United States without first consulting their counterparts in Chile and Peru.[80] If the bilateral conference took place after the CEP conference, on the other hand, then the U.S. representatives at the conference might face a stronger united front from the CEP representatives.[81]

After careful consideration, Dulles instructed Embassy officials in Quito to go ahead with the plans for the bilateral conference. If officials at the Ecuadorian Foreign Ministry seemed to want to delay the conference, policymakers at the State Department instructed Embassy officials to tell the Foreign Minister that "the United States is disturbed over the poor fisheries relations between the two countries and would regret any unnecessary delay in the joint discussion and consideration of means of improving those relations."[82] Policymakers wanted to ensure Ecuadorian cooperation in this matter during this time of flux in the U.S. Empire as the Cold War deepened.

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[78] John Foster Dulles to Daniels, 2 March 1953, Central File 1950-54, Box 2758, RG 59, NACP.
[79] Ibid.
[80] Ibid.
[81] Ibid.
[82] Dulles to Daniels, 2 March 1953.

Preparations for the bilateral conference were well under way when, on March 13, William Herrington, the designated chairman of the U.S. delegation to Quito, received his official instructions.[83] Herrington had significant experience working for various state and federal fisheries bureaus. In 1953 he was in his second year as the Special Assistant for Fisheries and Wildlife at the Department of State.[84] Herrington and his delegation focused on the effects of Ecuadorian fisheries laws and policies on the rights of U.S. fishermen, as they explored possible solutions to the problem that fell "within the framework of United States policy generally."[85] Policymakers also instructed the delegates to discuss the multilateral impact of Ecuadorian fisheries policies. Since Ecuadorian officials insisted that the updated regulations were part of a broader effort to conserve natural resources, U.S. officials emphasized again the desirability of Ecuador joining the Inter-American Tropical Tuna Commission so that they could conduct a scientific study of the tuna population in Ecuadorian.[86] Finally, U.S. delegates hoped to discuss the issue of safe passage for U.S.-flag vessels in Ecuadorian waters, and to challenge directly the efforts of the Ecuadorian government to use the declarations of other nations to defend their own position. The State Department instructed Herrington and his team to remind the Ecuadorian representatives that no maritime nation, including the United States, would support a 200-mile limit.[87]

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[83] Walter Smith to Herrington, 13 March 1953, Central File 1950-54, Box 2758, RG 59, NACP.
[84] Amy L. Toro, "Transformation in Fisheries Management: A Study of William C. Herrington", in *Oceanographic History: The Pacific and Beyond*, Keith R. Benson and Philip F. Rehbock (eds.), (Seattle: University of Washington Press, 2002), 423-432.
[85] Smith to Herrington, 13 March 1953.
[86] Ibid.
[87] Smith to Herrington, 13 March 1953.

The Conference on United States-Ecuadoran Fishery Relations was held from 25 March to 14 April 1953 in Quito.[88] Delegates at the conference focused on three main issues: 1) questions arising from the seizures of U.S.-flag fishing vessels; 2) examinations of the various acts and decrees that have caused the difficulties in U.S.-Ecuadorian fisheries relations, and; 3) "ways and means" of increasing cooperation in fishery matters "of mutual interest and to the benefit of the two countries." Thus the conference addressed both the issue of conservation, and the question of territorial waters limits.

The head of the Ecuadorian delegation, Rene Espindola Coronel, the Chief of the Fish and Wildlife Service of Ecuador, outlined the position of his government during the first plenary session. Arguing that it was within the right of the government of Ecuador to protect and conserve the natural resources found in the waters adjacent to the Ecuadorian coast, Espindola emphasized the contributions Ecuador had already made to inter-American harmony and security.[89] He reminded his audience of the willingness of the Ecuadorian government to allow the U.S. military to establish bases in Salinas and on the Galápagos during World War Two "without thought of benefit for itself," while also exporting to the United States "substantial amounts" of primary resources for the war effort.[90] Espindola hoped to convince U.S. delegates that he and the other Ecuadorian representatives were eager to work out a solution that would satisfy the needs of U.S. fishermen, protect the sovereignty of Ecuador, and ensure the delegates that Ecuador continued to support the United States. In other words, although changes in Ecuadorian

[88] "The Conference on United States-Ecuadoran Fishery Relations: The Final Act of the Conference and Record of Proceedings," 25 March to 14 April 1953, Central File 1950-54, Box 2758, RG 59, NACP.
[89] Ibid.
[90] Ibid.

fishing regulations had created tensions in U.S.-Ecuadorian relations, part of Espindola's assignment was to convince U.S. policymakers that Ecuador still supported the United States.

Ambassador Paul Daniels outlined the U.S. position. Daniels also referred to the global dynamics of the task, but to him, the crucial task facing the delegates was to reach agreement concerning the political and economic aspects of the central questions under review.[91] Daniels emphasized that delegates from each country needed to take into consideration the international aspects of the questions at hand, since the conservation of fisheries and the extent of sovereignty over territorial waters affected many nations. Herrington further emphasized this approach, commenting that, for the U.S. fishing industry, "what we do with respect to Ecuador is an important matter influencing what we do or cannot do with respect to other nations."[92] If the United States acknowledged in any way the right of the government of Ecuador to extend its territorial waters to 200-miles from the coast, then other governments would expect similar treatment.

Overall, the 1953 conference settled little. In terms of U.S.-Ecuadorian relations, the delegates did manage to generate a list of general recommendations to alleviate the immediate problems caused by the detention of U.S.-flag fishing vessels. The first called for the establishment of a new licensing system to control fishing in Ecuadorian waters, and a review of the legality of reinstating the license-by-radio system.[93] These changes, the delegates hoped, would allow U.S. fishermen to continue to operating in Ecuadorian

[91] "The Conference on United States-Ecuadoran Fishery Relations: The Final Act of the Conference and Record of Proceedings," 25 March to 14 April 1953.
[92] Ibid.
[93] Daniels to Dulles, 14 April 1953, Central File 1950-54, Box 2758, RG 59, NACP.

waters while explicitly avoiding the legal definition of the limits of those waters.[94] Regarding the international questions, the representatives agreed that it was not within their "competence to resolve differences in legal dispositions and juridical concepts of the United States and Ecuador regarding territorial waters and innocent passage."[95] The question of territorial waters and safe passage, in other words, were international issues that the representatives gathered at the conference alone could not solve. Postponement by the Ecuadorian government of the actual implementation of the few recommendations agreed to by the delegates caused friction between the United States and Ecuador for the next several years.

These delays were due in part to the hesitation of Ecuadorian officials such as Espindola who worried that hasty implementation of the recommendations might suggest the willingness of the Ecuadorian government to do whatever it had to in order to please the United States.[96] The perception of such willingness on the part of former president Arroyo del Rio almost ten years earlier had led to his defeat by Velasco Ibarra's Glorious Revolution. Now in office for a third term, Velasco Ibarra was unlikely to do anything that might similarly jeopardize his administration. In addition, Lorenzo Tous and Maurice Rankin were also working to delay the adoption of the conference recommendations in order to protect their own interests in the domestic Ecuadorian fishing industry.[97] By late October 1953, word reached the Department of State that the Ecuadorian Senate had

[94] Daniels to Dulles, 14 April 1953.
[95] "The Conference on United States-Ecuadoran Fishery Relations: The Final Act of the Conference and Record of Proceedings," 25 March to 14 April 1953.
[96] Thomas Maleady to Dulles, 8 May 1953, Central File 1950-54, Box 2758, RG 59, NACP.
[97] Maleady to Dulles, 21 May 1953, Central File 1950-54, Box 2758, RG 59, NACP.

voted unanimously to recommend that the Minister of Economy implement the recommendations from the United States-Ecuador conference.[98] A few days later, the Ecuadorian Chamber of Deputies passed the resolution handed down from the Senate, and urged Minister of Economy Jaime Nebot Velasco to adopt the recommendations.[99] This was not the end of the delays. While Nebot claimed that the government could implement the recommendations within four months, he insisted that Ecuador needed first to acquire new patrol boats in order to monitor effectively the waters in question.[100] Just as his predecessors had done in the case of the Galápagos base, Nebot hoped to secure more advanced equipment from the United States to help the Ecuadorian government fulfill its duties—in this case patrolling the fisheries.

By September 1954, Nebot was still delaying the implementation of the recommendations from the bilateral conference. He insisted that Ecuador needed new patrol vessels, arguing that Ecuador "could not open up its waters to foreign fishing fleets until the country has an effective means of patrolling the operations of the fishing vessels."[101] Frustrated with the delays, officials at the Department of State and the U.S. Embassy in Quito began to develop a different approach.[102] Speaking with Minister Nebot, Ambassador Paul Daniels suggested that perhaps it would be better to present the issue of territorial waters to the International Court of Justice (ICJ). When the Ecuadorian Navy began detaining and fining U.S. fishing vessels in 1950, State Department officials

[98] Maleady to Dulles, 30 October 1953, Central File 1950-54, Box 2759, RG 59, NACP.
[99] William F. Gray to Dulles, 30 November 1953, Central File 1950-54, Box 2759, RG 59, NACP.
[100] Gray to Dulles, 1 December 1953, Central File 1950-54, Box 2759, RG 59, NACP.
[101] Gray to Dulles, 7 September 1954, Central File 1950-54, Box 2759, RG 59, NACP.
[102] Ibid.

had initially resisted this idea since they were not convinced that the ICJ would rule in their favor. They first wanted to try other methods of resolving the problem before resorting to the court.

Now, however, increased international pressure to abandon the three-mile limit, and the ongoing delays by the Ecuadorian government in reinstating the license system, suggested to some in the United States that the bilateral conference and discussions with various Ecuadorian elites had failed.[103] With the actions of Ecuador and other countries growing, in the words of Herrington, "more pugnacious, possibly encouraged by the failure of the U.S. to take positive action on the matter," Herrington, William F. Gray, the Economic Attaché at the American Embassy in Quito, and others worried pushed for the submission of the case to the ICJ. They worried that continued delays on the part of the United States to submit the case might suggest to the Ecuadorians that U.S. officials doubted the strength of their case.[104] In Gray's opinion, the United States would likely win if it took the case to the ICJ, while a refusal to submit the case by Ecuador would, he felt, put the Ecuadorian government at a "psychological disadvantage" since officials could interpret this rejection as suggesting the weakness of the Ecuadorian case.[105] The goal was to try and generate support at the ICJ for the U.S. position—a position that was quickly losing favor in Latin America.

While U.S. officials debated presenting their case to the ICJ, domestic events in the United States once again added to the pressure to settle the territorial waters issue. In

[103] Gray to Dulles, 7 September 1954.
[104] Ibid.
[105] Ibid.

late September, Byron Blankinship from the Office of the Secretary of the Army met with Ambassador Chiriboga.[106] Arguing that he personally considered the fisheries dispute to be the "most serious current problem" between the United States and Ecuador, Blankinship emphasized the disappointment of State Department officials over the failure of the Ecuadorian government to enact the recommendations from the Quito conference. In his report back to Quito, Chiriboga relayed Blankinship's concerns.[107] He pointed out that the American Tunaboat Association was one of the "strongest" organizations in the United States, and that every time the Ecuadorian Navy detained a boat, Senators sent letters of protest to the Department of State.[108] Recently the U.S. Congress had even passed legislation, according to Chiriboga, whereby the federal government would effectively pay the fines of any U.S. vessels detained by the Ecuadorian Navy. Public Law 680 stated that, whenever a foreign government detained and fined a U.S.-flag vessel for violating laws that the government of the United States did not recognize, the Secretary of State would act in defense of the crews of the vessels, and the U.S. Treasury would reimburse companies for any fines paid.[109] This law, according to Chiriboga, encouraged tuna fishing companies to ignore the laws of other countries since the government would bail them out of any financial penalties that they might incur.[110]

One month later, an article by the United Press cited a representative for the American Tunaboat Association as saying that his organization would not recognize the

[106] Memorandum of Conversation, 28 September 1954, Central File 1950-54, Box 2759, RG 59, NACP.
[107] Chiriboga to Peñaherrera, 28 September 1954, Series C, Comunicaciones Recibidas de la Embajada en los Estados Unidos, MREAH.
[108] Chiriboga to Peñaherrera, 28 September 1954.
[109] Wolff, 54.
[110] Chiriboga to Peñaherrera, 28 September 1954.

200-mile limit claimed by Ecuador, Chile and Peru.[111] The Association was reportedly instructing the captains of fishing vessels that they were operating in waters considered as high seas by the U.S. government, and could therefore continue fishing these zones. To Chiriboga, this was proof of the negative effects brought on by the recent Congressional legislation.[112] With the diplomatic efforts apparently stalled, U.S. fishing companies and Congress were attempting to solve the problem on their own. Chiriboga suggested that in response, the governments of Ecuador, Chile and Peru should detain as many vessels operating without licenses within the 200-mile zone as possible.[113]

Two months after calling for stronger reactions from the CEP governments, representatives from each government finally ratified the 1952 Santiago Accords.[114] The Peruvian government had recently begun detaining unlicensed vessels passing through its own territorial waters.[115] Spurred by these seizures, and the U.S. response to them, Peruvian officials sent word to the Foreign Ministry in Quito proposing that the CEP governments generate and ratify a united response to the recent U.S. protests.[116] Such a show of unity by the CEP governments could come be helpful at the upcoming OAS conference. Ecuador hoped to get the Continental Shelf issue on the official schedule for the upcoming, 1954 OAS meeting in Caracas.

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[111] Chiriboga to Peñaherrera, 28 September 1954.
[112] Ibid.
[113] Ibid.
[114] Jorge Salvador Lara to Peñaherrera, 8 December 1954, Series G, Comunicaciones Recibidas de la Embajada en Peru (Reservados), MREAH.
[115] Salvador Lara to Peñaherrera, 24 February 1955, Series C, Comunicaciones Recibidas de la Embajada en Peru, MREAH.
[116] Salvador Lara to Peñaherrera, 2 March 1955, Series C, Comunicaciones Recibidas de la Embajada en Peru, MREAH.

Chiriboga suggested that the Ecuadorian representatives to the conference should push for three main provisions.[117] All states should first agree to recognize the jurisdiction of each state over the natural resources found in the continental platform adjacent to their coast. This position differed from that of the United States as outlined in the Truman Proclamations since those decrees only claimed the right to create conservation zones in these waters without claiming specific jurisdiction over the natural resources located therein. Once each government acknowledged the rights of all coastal governments to legislate their portion of the continental shelf, Chiriboga suggested that delegates hold a special conference to work out the details of this system. Finally, in a nod to repeated U.S. insistence that governments wishing to conserve the natural resources of their waters first needed to gather scientific data concerning those resources, Chiriboga recommended the establishment of an Interamerican Oceanographic Institute to oversee the general conservation efforts of coastal nations.[118] The ambassador hoped that these measures would contribute positively to a new system whereby individual governments could decide the limits of their territorial waters, while also working together to conserve the natural resources found in those waters. In that effort, however, Chiriboga acknowledged that officials might have to reconsider the 200-mile limit since it could create problems for smaller countries whose borders with their neighbors were less than 200-miles in distance.[119]

[117] Chiriboga to Peñaherrera, 6 October 1953, Series C, Comunicaciones Recibidas de la Embajada en los Estados Unidos, MREAH.
[118] Chiriboga to Peñaherrera, 28 October 1953, Series C, Comunicaciones Recibidas de la Embajada en los Estados Unidos, MREAH.
[119] Ibid.

Reporting from the Tenth Interamerican Conference at Caracas in March 1954, Chiriboga claimed victory for Ecuador. A working group of representatives had agreed on a resolution that "practically" mirrored the Ecuadorian proposal concerning the continental shelf. To Chiriboga, this vote revealed the interest of all present in debating the issues as raised by Ecuador.[120] The resolution called for the holding of a special OAS conference to study the legal and economic issues pertaining to the continental shelf and territorial waters.[121] OAS members instructed representatives to the upcoming conference, scheduled for some time in 1955, to bring scientific evidence to support their claims.

As expected, representatives from the United States and Cuba attempted to block the consideration of the Ecuadorian proposal.[122] For their part, the Cubans presented a counter-proposal that softened the Ecuadorian approach by eliminating specific reference to the 200-mile limit.[123] The Brazilians also voted against the resolution, arguing that Ecuador and others should present the question instead to the United Nations.[124] Delegates to the OAS conference ultimately accepted the bulk of the Ecuadorian proposal, but representatives from the United States did manage to postpone further

[120] Chiriboga to Peñaherrera, 24 March 1954, Series C, Comunicaciones Recibidas de la Embajada en los Estados Unidos, MREAH.
[121] Ibid.
[122] Chiriboga to Peñaherrera, 25 March 1954, Series G, Comunicaciones Recibidas de la Decima Conferencia Interamericana en Caracas (Reservado), MREAH.
[123] Wolff, 71.
[124] Chiriboga to Peñaherrera, 25 March 1954.

negotiations on the subject, and hence ratification of any binding agreement, for one more year.[125]

In the meantime, the capture of the *Santa Ana* and *Arctic Maid* by the Ecuadorian Navy proved to be the two most difficult to settle of all the detention cases. According to U.S. Embassy reports, on 28 March 1955, an Ecuadorian patrol vessel stopped the *Arctic Maid* for fishing illegally. While there was some debate over what happened next, one thing was clear—an Ecuadorian sailor shot a seaman working on the *Arctic Maid.*[126] The captain of the *Arctic Maid* had stopped his vessel following the signal of an Ecuadorian patrol boat. Captain Kyros and Lieutenant Hugo Leon, the commander of the Ecuadorian ship, then had a short conversation. When Leon returned to his boat, Kyros prepared to leave.[127] Kyros claimed that he waited ten minutes before actually leaving, but he soon realized that the patrol vessel was following and firing live rounds.[128] Leon had ordered his crew to fire warning shots because it appeared that Kyros was fleeing and ignoring his arrest order.[129] This volley of gunfire wounded seaman William Peck.[130] The shooting of a U.S. fisherman by an Ecuadorian sailor marked a clear intensification of the dispute between the governments of Ecuador and the United States.

The note of protest over the *Arctic Maid* incident sent by Secretary of State Dulles to the Ecuadorian Foreign Office was much stronger than previous protests.[131] Writing

[125] Wolff, 72.
[126] Hutton to Dulles, 31 March 1955, Central File 1955-59, Box 2466, RG 59, NACP.
[127] Hutton to Dulles, 30 March 1955, Central File 1955-59, Box 2465, RG 59, NACP.
[128] Ibid.
[129] Ibid.
[130] Ibid.
[131] Dulles to Mills, 29 March 1955, Central File 1955-59, Box 2465, RG 59, NACP.

that he was "shocked" to learn that a member of the Ecuadorian Navy had shot a U.S. seaman, Dulles expressed his "serious concern."[132] Insisting that the Ecuadorian government release the *Arctic Maid* immediately and pay a "suitable indemnity" for the wounding of Peck, U.S. officials warned that "attempts to establish [territorial waters] claims by force cannot fail to arouse public opinion in the United States and to invite more serious consequences."

Ecuadorian officials, however, disagreed with the U.S. interpretation of events as outlined in the note of protest. According to Undersecretary of Foreign affairs, Haime Suarez Morales, the government of Ecuador did not actually claim sovereignty over 200 miles of ocean water. The Santiago Accord, according to Suarez, only claimed sovereignty over the *fishing rights* in that zone.[133]

Ambassador Sheldon Mills responded that the United States was sympathetic to Ecuadorian efforts to conserve the national resources of the oceans. He insisted that doing so, however, would require a formal agreement ratified by all states that held interests in the proposed conservation zones. A simple declaration by one, or even three, countries of a 200-mile limit to their territorial waters would not automatically make that limit international law.[134] Suarez reminded Mills about the unilateral declarations of former president Truman concerning the continental shelf, stating that "Ecuador was merely creating in the same way another new principle of international law."[135] The bottom line, according to Mills, was that the U.S. government "not only held that its vessels had the

[132] Dulles to Mills, 29 March 1955.
[133] Mills to Dulles, 30 March 1955, Central File 1955-59, Box 2465, RG 59, NACP.
[134] Ibid.
[135] Ibid.

right of innocent passage on the high seas but that they had the right to fish in the absence of an international agreement restricting such a right."[136] U.S. Ambassador to the OAS, John Dreier argued that "the main question now is what kind of pressure we can put on Ecuador to make them see the necessity for working out an agreement with us on this problem."[137]

On April 3, Ambassador Mills transmitted the official Ecuadorian response to the U.S. protest note.[138] In it, acting Foreign Minister Gonzalez had rejected all three U.S. demands—to release the vessels, to offer assurance against future attacks, and to pay an indemnity for the wounded sailor.[139] The Foreign Minister also denied that Leon and his men had fired on an unarmed vessel. Instead, he argued, the Ecuadorian sailors had merely fired warning shots at a ship that was attempting to flee.[140] Regarding the U.S. charge that the government of Ecuador had tried to establish precedent by detaining U.S.-flag fishing vessels, the Minister replied that "normal exercise of the sovereignty of a state" can never be considered "as an attempt to establish claims or demands to enforce respect for the sovereignty when its violation with impunity is intended as an act of legitimate defense."[141] The Minister based this argument on the Truman Proclamations of 1945, insisting that Ecuadorian officials were acting within the boundaries of international behavior as modeled by the United States. The Minister insisted, finally, that he could do nothing to speed the release of the *Arctic Maid* and the *Santa Ana* since

[136] Mills to Dulles, 30 March 1955.
[137] Phleger to Dreier, 29 March 1955, Central File 1955-59, Box 2465, RG 59, NACP.
[138] Mills to Dulles, 3 April 1955, Central File 1955-59, Box 2465, RG 59, NACP.
[139] Ibid.
[140] Ibid.
[141] Ibid.

both were now under the control of the Ecuadorian courts. He also reasserted the Ecuadorian position that the government would continue to respect the right of free passage through its territorial waters except for when the passing vessels were fishing.[142]

The *Arctic Maid* incident, and the continued intransigence on the part of Ecuadorian officials, prompted a rethinking of the U.S. position within the Department of State. Rollin S. Atwood, the Director of the Office of South American Affairs, and Edward J. Sparks, the Deputy Assistant Secretary for Inter-American Affairs, met to discuss Atwood's recent meetings with Ecuadorian officials.[143] Atwood had been sent to Quito in order to investigate the *Arctic Maid* case, and to try and gauge the position of the Ecuadorian government. He was then to return to Washington and meet with Mills in order to "determine [the] next step most likely [to] influence the Ecuadoran attitude in [the] right direction."[144] Atwood reported that the Ecuadorian officials with whom he had met would not budge, and he inquired if now would perhaps be a good time to suggest a new round of bilateral negotiations. Sparks thought that this would be a useless exercise, arguing that "we had tried this once and the next step was theirs."[145]

Secretary of State Dulles supported Sparks's interpretation. Dulles sent Sparks a copy of a note to the government of Peru in which U.S. officials proposed a new round of negotiations with the Peruvians to try and solidify a bilateral agreement for the exploitation of tuna found in Peruvian waters, without dealing specifically with the

[142] Mills to Dulles, 3 April 1955.
[143] Memorandum of Conversation, 4 April 1955, Central File 1955-59, Box 2465, RG 59, NACP.
[144] Dulles to Mills, 4 April 1955, Central File 1955-59, Box 2466, RG 59, NACP.
[145] Memorandum of Conversation, 4 April 1955.

question of the 200-mile limit.[146] Officials at the State Department recognized that perhaps they would be more likely to secure for the United States the fishing rights demanded by U.S. fishermen if they could negotiate with each CEP country individually, while avoiding altogether the legal question of territorial waters. Dulles himself supported this approach, writing to Ambassador Mills that the United States needed to "avoid being placed in [a] position of having to negotiate simultaneously with three countries so long as [the] possibility continues of first reaching [a] favorable understanding with Peru."[147]

Soon after receiving this information from Dulles, Ambassador Mills met with the acting Foreign Minister and the Undersecretary of the Foreign Office in Quito.[148] Mills relayed to the Ecuadorians the hopes of the U.S. government that together they could reach a diplomatic solution protecting the natural resources of the territorial waters.[149] To this the Undersecretary responded that Minister of Economy Jaime Acosta Velasco favored the reinstating of a license by radio system. Although this was one of the two main recommendations agreed to during the 1953 bilateral conference between U.S. and Ecuadorian officials, things had changed. Now U.S. officials would not agree to the establishment of a license system that covered waters beyond the three-mile limit, which the United States continued to claim as high seas.[150]

[146] Dulles to Mills, 4 April 1955.
[147] Dulles to Mills, 5 April 1955, Central File 1955-59, Box 2466, RG 59, NACP.
[148] Mills to Dulles, 4 April 1955, Central File 1955-59, Box 2466, RG 59, NACP.
[149] Ibid.
[150] Ibid.

Faced with growing international pressure to abandon the traditional three-mile limit, policymakers in the United States did not want to give any indications that they acceded to these demands by forcing U.S. fishermen to abide by a licensing system that covered fisheries beyond the three-mile zone. If the United States and any, or all, of the CEP countries could reach an agreement establishing a system of conservation of these natural resources, then this agreement would apply to the vessels of each country.[151] While U.S. policymakers were willing to discuss a conservation agreement with all three countries, they would not consider the question of the 200-mile limit.[152] Officials in the United States were now convinced that an international body where Washington enjoyed the support of nations outside of Latin America, such as the ICJ or the United Nations, could best settle the question of limits. They hoped to draw on global support, or at least the threat of that support, to convince the Ecuadorian government to abandon the 200-mile limit.

With negotiations dragging on, both U.S. and Ecuadorian policymakers now focused on a new multilateral approach by insisting that the questions of conservation and limits on territorial waters were two distinct issues.[153] Representatives would develop conservation agreements based on scientific studies of the natural resources found in the waters in question that would be "open to the adherence" of those countries operating in these fisheries.[154] Until the ICJ was able to make a firm decision on the matter of territorial water limits, U.S. officials proposed that all parties involved should agree to

[151] Mills to Dulles, 4 April 1955.
[152] Ibid.
[153] Sparks to Herbert Hoover, Jr., 15 April 1955, Central File 1955-59, Box 2466, RG 59, NACP.
[154] Ibid.

reserve their respective legal positions (the 200-mile limit for CEP countries and the three-mile limit for the United States), while refraining from the use of force to enforce these legal positions.[155]

As had happened before, Ecuadorian officials resisted the suggestion that the two issues should be, or even could be, separated. Such a separation, they realized, would only help the United States, while damaging the CEP claim to a 200-mile limit. As Ambassador Chiriboga explained, by separating the two issues and focusing on bilateral, or even multilateral, conservation agreements that ignored the question of territorial waters, U.S. officials were in effect implying that the three-mile limit was still in force.[156] Since all nations party to any potential conservation agreement would enjoy the right to exploit the natural resources found in the waters covered by the agreement, and since the United States considered those waters to begin at three miles from the coast, the 200-mile limit claim would effectively be null and void.[157]

Ambassador Chiriboga also insisted that his government would never agree to have the *Arctic Maid* and *Santa Ana* cases submitted to the ICJ unless the case focused on the legality of the Santiago Accord.[158] Focusing instead on the legal questions involved in the seizing and fining of the two vessels would challenge Ecuadorian claims to sovereignty in ways that the government of Ecuador wanted to avoid. The Ambassador suggested that perhaps representatives to a regional conference, rather than an

[155] Sparks to Hoover, 15 April 1955.
[156] Chiriboga to Peñaherrera, 15 April 1955, Series C, Comunicaciones Recibidas de la Embajada en los Estados Unidos, MREAH.
[157] Ibid.
[158] Memorandum of Conversation, 18 April 1955, Central File 1955-59, Box 2466, RG 59, NACP.

international one, could best settle the territorial waters question. He reminded Sparks of the upcoming special conference of the OAS that would address the continental shelf issue, and that delegates to the United Nations were at that very moment considering the need for a global conference on the issue.[159] Because opinion in the region was clearly not on their side, U.S. officials insisted that only the ICJ or the UN could solve the problem. A regional approach, according to Sparks, ignored the global pressures connected with fisheries matters. The expanding global reach of U.S. hegemony—as well as the tuna industry itself—meant that the regional approaches used by Washington during the Second World War to secure U.S. hegemony were no longer sufficient. If U.S. policymakers wanted to generate support for their three-mile limit, they would have to look outside of the hemisphere.

Ecuadorian officials worked with their colleagues from Chile and Peru to convince the United States to negotiate with the group. In addition to working on a group strategy for the UN conference, in early May 1955, officials from Peru, Chile, and Ecuador also began to discuss the possibility of holding a joint conference with U.S. officials.[160] The Peruvians insisted that they would never abide by a decision handed down by the ICJ in this case since the territorial waters issue was a matter of national

[159] Chiriboga to Peñaherrera, 19 April 1955, Series G, Comunicaciones Recibidas de la Embajada en los Estados Unidos (Reservado), MREAH.
[160] Salvador Larra to Peñaherrera, 3 May 1955, Series G, Comunicaciones Recibidas de la Embajada en Peru (Reservado), MREAH. The International Law Commission at the United Nations had addressed the Law of the Sea several times beginning in 1949 and again in 1955, 1956 and 1957. In 1958, a special United Nations Conference was held to address the right of innocent passage. See, http://untreaty.un.org/ilc/summaries/8_1.htm.

sovereignty.[161] They also agreed to participate in a multilateral conference between CEP and U.S. representatives.[162] Still, the Ecuadorian Ambassador was suspicious of the Chileans motives. He pointed out that the tuna populations in question lived primarily in the waters of Ecuador and Peru, yet Chile had initiated the 200-mile declaration. This action by the Chilean government, according to the ambassador, revealed their preoccupation with the growing power of the Peruvian Navy. The actions of the Chilean government might be an effort on their part to pressure officials in the United States to give Chile more economic aid. Uniting the historically-divided governments of Ecuador and Peru could bolster the image of Chile as an influential force in the region. The ambassador pointed out that the Chilean government was the only one of the CEP governments that had so far refrained from detaining and fining U.S. fishing vessels. There were thus clear fissures in CEP unity that threatened to undermine their territorial waters claims.[163]

In Washington, State Department officials seemed to pick up on these weaknesses in CEP unity. They informed the U.S. ambassadors in Lima and Santiago that it was clear that the governments party to the Santiago Declaration were "fully aware that their case would be extremely weak if brought before the ICJ and that they are therefore extremely reluctant to consider such a step."[164] In the case of Ecuador, Ambassador Chiriboga also suggested that presenting the case to the ICJ could threaten the Ecuadorian position,

[161] Salvador Larra to Peñaherrera, 3 May 1955.
[162] Ibid.
[163] Ibid.
[164] Department of State Instruction, "Proposals to Resolve Controversy Over Claims to 200 Miles of Maritime Zone," 5 May 1955, Central File 1955-59, Box 2465, RG 59, NACP.

because the court contained of European nations that were more powerful than Ecuador, and that had their own fishing interests.[165] When encountering arguments against the submission of the case to the ICJ, policymakers in Washington instructed the chiefs of mission in Quito, Lima, and Santiago to make it clear that officials in the United States saw no way to reach a satisfactory long-range agreement if "the legal rights of the parties concerned continue to be the subject of controversy."[166] Washington wanted an end to the detentions, while the CEP governments continued to insist on their right to control their territorial waters as they saw fit. Dulles thus suggested that the United States invite representatives from each government to participate in a joint conference that would focus specifically on the territorial waters issue.[167]

By June, all three of the CEP governments had agreed to defer for now the question of submitting the territorial waters issue to the ICJ.[168] Foreign Minister Peñaherrera of Ecuador assured William Gray, the Economic Attaché for the U.S. Embassy in Quito, that the deferral was not a sign of unwillingness to negotiate. Instead, he argued that international law had never fully answered the question of international waters.[169] CEP officials felt that the U.S. proposal to submit the question to the ICJ mischaracterized the problem as a "basic legal controversy" when in fact it was "a difference of evaluation of aspects of international law not yet defined but which are in a

[165] Chiriboga to Peñaherrera, 6 May 1955, Series G, Comunicaciones Recibidas de la Embajada en Peru (Reservado), MREAH.
[166] Department of State Instruction, "Proposals to Resolve Controversy Over Claims to 200 Miles of Maritime Zone," 5 May 1955.
[167] Ibid.
[168] Gray to Dulles, 3 June 1955, Central File 1955-59, Box 2465, RG 59, NACP.
[169] Ibid.

stage of development."[170] By deferring, CEP officials hoped to first explore all possible diplomatic routes among themselves and with U.S. officials before submitting the question to the ICJ. If no initial solution could be found, then "submission to said Court could be considered eventually."[171] For now, though, all three nations were willing to negotiate a conservation agreement for the territorial waters as defined in the Santiago Agreement of 1952.[172]

In response to these notes, Sparks re-emphasized that the United States would not enter into any negotiations "which imply acceptance of the 200-mile maritime claims."[173] Despite this, he still held out hope that a conservation agreement could be reached. Sparks remained confident that CEP representatives lacked the unity and international support to defend their case. The challenge would prove to be agreeing on the "acceptable terms." CEP officials saw in all U.S. proposals for a conservation agreement the loss of sovereignty. On the other hand, U.S. officials saw in CEP counterproposals a direct challenge to the freedom of the seas, which had historically been a key provision in the development of U.S. hegemony.

The new conservation agreement conceived of by the United States would apply to both the high seas and to territorial waters, and it would cover the fishery resources "of joint concern to the contracting parties" found within these waters.[174] With reference to the question of limits, signatories of the convention would draft it "without reference to

[170] Gray to Dulles, 3 June 1955.
[171] Ibid.
[172] Ibid.
[173] Sparks to Murphy, 24 June 1955, Central File 1955-59, Box 2465, RG 59, NACP.
[174] "Negotiations with Chile, Ecuador and Peru Regarding Fishery Problem," 1 July 1955, Central File 1955-59, Box 2465, RG 59, NACP.

the claims of any of the four Governments with respect to territorial waters or other forms of special jurisdiction over the seas adjacent to their coasts."[175] To further enforce the non-acceptance of the 200-mile limit by the United States, the official proposal for the conference made clear that "such regulations, based as they are on your Government's claim to sovereignty over waters extending 200 miles from the coast, do not apply to the national of non-signatory states."[176]

This latest U.S. proposal for a joint conference exposed further weaknesses in the CEP coalition. Some Ecuadorian officials were already questioning the motives of the Chilean government in proposing the initial Santiago Accords. Now, however, the traditional divisions between the governments of Ecuador and Peru over their shared border resurfaced. Both governments agreed to postpone the conference of CEP representatives scheduled to take place on 18 July 1955 in Quito. This delay was in part an effort to give all governments involved a chance to solidify their positions prior to the meeting.[177] At the same time, however, Peruvian Foreign Minister David Aguilar Cornejo wanted the delay because of the "anti-Peruvian" campaign going on in the Ecuadorian press.[178] By postponing the conference, the foreign minister hoped that the governments of Ecuador and Peru could project an image of unity instead of division.[179]

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[175] "Negotiations with Chile, Ecuador and Peru Regarding Fishery Problem," 1 July 1955.
[176] Ibid.
[177] Alfredo Donoso to Peñaherrera, 16 July 1955, Series C, Comunicaciones Recibidas de la Embajada en Peru, MREAH.
[178] This was the anniversary of the 1941 "Campaña del Norte" in the long-standing border dispute between Ecuador and Peru. Alfredo Donoso to Peñaherrera, 16 July 1955, Series C, Comunicaciones Recibidas de la Embajada en Peru, MREAH.
[179] Ibid.

Ambassador Chiriboga also presented his own suggestions for the conference with the United States. He warned that Ecuadorian representatives should not be too "obstinate" in their position when negotiating with their U.S. counterparts.[180] Such a position might lessen the willingness of U.S. policymakers to help Ecuador with their "biggest territorial problem."[181] Clearly referring to the Ecuador-Peru border dispute, Chiriboga suggested that "elasticity and flexibility" on the part of the Ecuadorians would not preclude firmness and dignity.[182] He also reminded his Foreign Minister that both Chile and Peru had been complacent in the face of State Department demands while simultaneously defending their right to the 200-mile limit. Chiriboga thus wanted to avoid taking a principled stand against the United States when the support of Chile and Peru appeared to be somewhat tenuous.

The final agreement at the joint conference between the United States, Chile, Ecuador and Peru failed to settle the territorial waters issue. While U.S. representatives offered some concessions designed to protect the fisheries of coastal towns such as Manta, ultimately delegates could reach no agreement concerning the extent of the territorial waters limit.[183] In his report on the final agreement, Ecuadorian Foreign Minister Luis Antonio Peñaherrera commented that, while the CEP propositions presented to the United States offered the "maximum concessions possible," the U.S.

[180] Chiriboga to Peñaherrera, 2 August 1955, Series C, Comunicaciones Recibidas de la Embajada en los Estados Unidos, MREAH.
[181] Ibid.
[182] Ibid.
[183] Shigeru Oda, *International Control of Sea Resources*, (Leyden: A. W. Sythoff, 1963), 22-23.

representatives accepted none of these suggestions.[184] According to Peñaherrera, jurisdiction over territorial waters was still the biggest point of contention.[185] CEP representatives had proposed, for example, that perhaps twelve miles of water could be under the direct control of each coastal nation, and that U.S. fishermen would be required to buy licenses to fish in these waters. This proposal did not seem to satisfy U.S. officials who argued that their instructions prohibited them from considering the conservation of any resources found within the maritime zone as defined in the Santiago Agreement. CEP unity was at a low point following the conference. Ecuadorian Foreign Minister Arizaga Vega argued that the Peruvian and Chilean officials had been irreconcilable concerning the 200-mile limit, while the Ecuadorians had been more flexible.[186]

The years 1956 to 1957 witnessed few significant changes in the territorial waters dispute—U.S. officials continued to push for a return to the three-mile limit, while officials in Ecuador continued to insist on a limit of 200 miles. In fact, the dispute over these fisheries continued through the 1970s during the period known as the "tuna wars." Negotiations over territorial waters from 1949 to 1957 represented a shift in U.S.-Ecuadorian relations. As President Galo Plaza worked to develop modern industries in Ecuador, his decrees challenged influential U.S. tuna interests that were facing increasing global competition. No longer willing or able to come to the defense of all U.S. companies or industries operating in Latin America, officials in the Department of State

[184] Peñaherrera to Arizaga Vega, 3 October 1955, Series C, Comunicaciones Recibidas de la Embada en Peru, MREAH.
[185] Ibid.
[186] Peñaherrera to Arizaga Vega, 8 October 1955, Series G, Comunicaciones Recibidas de la Embajada en Chile, MREAH.

attempted to establish a Modus Operandi that would satisfy all concerns. These efforts failed, however, and the seizures and fines continued. As the Cold War deepened, U.S. officials found that countries as small as Ecuador could challenge the continued hegemony of the United States.

6. The Foreign Leader Program

From 1949 to 1957, U.S. policymakers continued to modify the exchange programs with the nations of Latin America, while also working to secure U.S. hegemony in Asia, the Middle East, and Africa. Building on the pioneering wartime U.S.-Latin American cultural programs, officials now introduced similar programs to other regions of the globe. The passage of the Fulbright and Smith-Mundt acts in 1946 and 1948 respectively provided the legislative support for this expansion. P.L. 584 (the Fulbright Act) was designed to promote peace through educational exchange, while P.L. 402 (the Smith-Mundt Act) served as the mandate for all U.S. cultural programs, and expanded the Fulbright Program beyond its initial focus on participants in the wartime Lend-Lease Program. In addition, President Truman's Point Four program served as an early attempt to address a key limitation of previous programs. Focusing explicitly on technical assistance to developing nations in Latin America, Africa, and Asia, the Truman Administration hoped to raise living standards in these countries. Policymakers felt that this emphasis on technical assistance would lead to greater internal stability, a prerequisite for the private investors whose capital could jump start the various development projects recommended by Point Four specialists.

While U.S. officials deployed Point Four technicians throughout the Third World during the early Cold War, they also brought to the United States leaders from Ecuador and elsewhere under the Foreign Leader Program. Since its Beginning in 1947, policymakers running the Foreign Leader Program carefully selected grantees for their

potential roles as national leaders.[1] They began their time in the United States with a one-week training session in Washington, D.C. organized by the Department of State and the American Council on Education. This orientation offered grantees a basic introduction to the United States and its history, economy, geography, government and institutions, using lectures, discussion periods, films and tours.[2] Ultimately, the Foreign Leader Program was designed to influence foreign public opinion by generating "[a] better understanding of the United States" among influential members of those publics.[3]

To achieve the widest influence, the Foreign Leader Program rested on four central goals, each of which addressed specific issues related to the expansion of U.S. hegemony in the Third World. The first goal, "to strengthen the unity of those nations devoted to the cause of freedom and to show that their interests and those of the United States coincide," was an attempt to build on the hemispheric solidarity of World War Two, as perceived threats from the Communists replaced those by the Fascists. Through goal number two, "to spread the conviction that the United States is an enlightened and strong power, determined to cooperate with and support other free nations in common undertakings of mutual benefit," policymakers hoped to convince foreign peoples that cooperation with the United States would benefit all free nations. Goal number three, "to stimulate among free nations the building of the unified strength necessary to deter aggression and secure peace," reflected Wilsonian principles of peace and prosperity

[1] Robert E. Elder, *The Foreign Leader Program: Operations in the United States*, (Washington, D.C.: The Brookings Institution, 1961), 2-3.
[2] "Semi-Annual Report, January 1, 1955-June 30, 1955, Leaders Division, International Educational Exchange Services," Records Relating to Leaders and Specialists Programs, Box 106, Record Group (hereafter RG) 59, National Archives at College Park, Maryland (hereafter NACP).
[3] Ibid.

through cooperation. The fourth and final goal, "to develop and maintain psychological resistance to Soviet tyranny and imperialism," connected the Foreign Leader Program with broader Cold War imperatives.[4] According to the architects of the program, the need to resist effectively and immediately "Soviet tyranny" lent the Foreign Leader Program "an urgency… which does not exist in other programs" since grantees returned to their leadership positions in their home countries after a relatively short stay in the United States.[5] While ultimately focused on preserving long-term hegemony, then, officials designed the Foreign Leader Program to have a more immediate impact in the battle to contain Communism.

Running the Foreign Leader Program required the dedicated efforts of personnel from six organizations—the Office of International Labor Affairs, and the Women's Bureau, which were both part of the Department of Labor, the Office of Education, the International Educational Exchange Service (IES) of the Department of State, and finally, the Governmental Affairs Institute and the National Social Welfare Assembly, each of which was responsible for specific categories of grantees.[6] Officials responsible for the creation and maintenance of the various programs did their best to adjust the workings of these programs to the evolving world-system. In terms of U.S.-Latin American relations from 1940 to 1948, that meant first solidifying hemispheric solidarity in the face of war, and then ensuring the continuation of this cooperation as the postwar world took shape. Though seldom stated this explicitly in the documents, during this era policymakers

[4] "Statement of Objectives for Programs for Foreign Leaders in the United States," 6 March 1952, Records Relating to Leaders and Specialists Programs, 1950-65, Box 106, RG 59, NACP.
[5] "Semi-Annual Report, January 1, 1955-June 30, 1955, Leaders Division."
[6] Ibid.

treated education and educational exchange programs as tools for exposing Latin Americans to the United States and to U.S. ideas in order to encourage their consent to U.S. policy.

By the 1950s, policymakers had become more explicit in discussions of their vision for the role of education and educational exchange in furthering U.S. foreign policy. Appearing before the House Committee on Education and Labor in 1954, for example, Director Russell Riley of IES stated bluntly, "the success of our foreign policy today depends largely on the willingness of other nations to cooperate with us on matters of common concern."[7] Economics, politics, culture and security all fell under this category of "common concern," and each was a target of the Foreign Leader Program. Riley argued further that officials designed the exchange programs to "provide an active form of cooperation through personal contact—through actual experience with America and Americans. In this way we are building up and maintaining a climate of opinion overseas favorable to the interests and policies of the United States."[8] Policymakers now defined more clearly the underlying goal of hemispheric security that Washington had pursued during the war, and linked it to the educational exchange programs and the expansion of U.S. hegemony into the Third World. As the director reminded the Committee members, "while the educational character of the program is clearly evident, it is also clear that its paramount purpose is to strengthen this Government's cooperative

[7] "Statement of the Director, International Educational Exchange Service," 17 November 1954, IEES, Memoranda, Reports and Other Records, Box 5, RG 59.
[8] Ibid.

foreign relations."[9] In so doing, policymakers designed the Foreign Leader Program, as well as other cultural programs during this time, to "make evident the basic principles of the free world ideology to contrast the American way of life with that of the Communist-dominated world and to provide material for arguments with which to counter those of Communism."[10] Contrasting the "American way of life with that of the Communist-dominated world" became the guiding principle in U.S.-Third World cultural relations during this era.

In establishing this contrast, the image of the United States held by other peoples took center stage. One perception of the United States that troubled Riley and those running the exchange programs was the "feeling prevalent in many countries that our motives are selfish and materialistic and our policies shallow and short range."[11] This critique had been a common one leveled at U.S. businessmen operating in Latin America from the start of U.S. commercial relations with those republics. The information programs of President Roosevelt's Good Neighbor Policy had taken direct aim at this perception during the war. Now with the increased ideological tensions of the Cold War, the image of the cynical and greedy U.S. businessman and politician had to compete with the workers' paradise advertised by the Soviet Union. In Ecuador, embassy officials therefore recommended challenging any propaganda that described the United States as an imperialist nation, while simultaneously making sure that Ecuadorians understood that

[9] "Statement of the Director, International Educational Exchange Service."
[10] "Report on the Implementation of the OCB Study on American Overseas Education," 27 April 1955, IEES, Memoranda, Reports and Other Records, Box 5, RG 59, NACP.
[11] "Statement of the Director, International Educational Exchange Service."

international Communism was "tyrannical imperialism promoted by the USSR."[12] Thus, the Foreign Leader Program was part of a broader "campaign of truth" designed to combat the Soviet's "Hate American campaign."[13]

Officials worried too about propaganda that focused on racial inequalities in the United States.[14] Those in charge of the Foreign Leader Program saw a need for a "more thorough briefing of foreign leader grantees, before their departure for the United States, concerning certain racial discrimination which they will probably observe and perhaps may experience personally during their travels in this country."[15] Because of the sensitivity of the issue, the State Department warned foreign officers to keep race in mind when nominating candidates, and "persons who are likely to be so overwhelmed emotionally by instances of discrimination as to lose their general perspective should, when possible, be avoided as leader-grant candidates."[16] Once they arrived in the United States, grantees attended lectures on a variety of subjects, many of which addressed the "minority problem" in the hopes of providing grantees with "a fairly complete and objective picture of the situation and of its historical roots, and of the efforts which are being made to combat it."[17] Policymakers hoped to diffuse the potentially explosive issue

[12] "USIE Country Plan, Ecuador," 5 February 1952, Central File 1950-54, Box 2306, RG 59, NACP.
[13] "Statement of Objectives for Programs for Foreign Leaders in the United States," 6 March 1952.
[14] There is a growing body of literature that deals with the connection between issues of race in the United States and U.S. foreign policy during the Cold War, see for example: Thomas Borstelmann, *The Cold War and the Color Line: American Race Relations in the Global Arena* (Cambridge: Harvard, University Press, 2001); Brenda Gale Plummer, *Rising Wind: Black American and U.S. Foreign Affairs, 1935-1960* (Chapel Hill: University of North Carolina Press, 1996); Penny M. Von Eschen, *Race against Empire: Black Americans and Anticolonialism, 1937-1957* (Ithaca: Cornell University Press, 1997).
[15] "Semi-Annual Report, January 1, 1955-June 30, 1955, Leaders Division."
[16] Ibid.
[17] "Semi-Annual Report, January 1, 1955-June 30, 1955, Leaders Division."

of racism in the United States by teaching foreign leader grantees how "objective" people in the United States understood the situation.

In the ideological battle between the United States and the Soviet Union, between capitalism and communism, the maintenance of the U.S. Empire continued to rest on the consent of foreign populations to U.S. policies. Challenges by nations such as Ecuador at times tested this consent. In part, officials designed the foreign leader program to limit those challenges by targeting leaders from the most influential sectors of foreign societies. In Ecuador and elsewhere in the region, this meant intellectuals, labor, university students and educators. The policymakers responsible for the design and implementation of the Foreign Leader Program hoped to expand the reach of their message by selecting leaders from these fields who would ideally spread the word. That message remained essentially the same as it was during the Second World War—only by supporting the United States and the world capitalist system promoted by Washington could the nations of the Third World prosper.

Education and training were key components of the Point Four program from the very beginning. In his inaugural address, President Truman argued that "greater production is the key to prosperity and peace. And the key to greater production is a wider and more vigorous application of modern scientific and technical knowledge."[18] Before people could apply this knowledge, however, they had to be taught. The development and refinement of educational exchange programs designed to bring

[18] "Inaugural Address of Harry S. Truman," Office Files of the Commissioner of Education, Box 53, RG 12, NACP.

technical experts from the United States to Latin America, and to bring Latin American leaders from technical fields to the United States for advanced training, were part of this project.

During this first decade of the Cold War, however, officials in the United States focused primarily on rebuilding Europe and securing U.S. hegemony in Asia. This often meant that U.S.-Latin American programs had to struggle for funding. In 1949, for example, policymakers in the United States informed U.S. Embassy officials in the American Republics that the budget for 1950 only allowed for approximately one leader or specialist from each country, because policymakers had expanded the program to the rest of the world under the Smith-Mundt Act.[19] Despite this restriction, officials in Washington still hoped that the exchange programs would continue to play an "important and integral part" in achieving State Department objectives.[20] The limited budget simply meant that greater care had to be given to the nomination of potential grantees who were "in a position to influence a large segment of public opinion in their respective countries."[21] With limited resources, officials wanted to be as efficient as possible in their attempts to influence foreign public opinion.

The primary goal of the Foreign Leader Program during this era paralleled that of U.S. foreign policy in general—securing and maintaining U.S. hegemony in the face of perceived Soviet expansionism. Instructions for the 1950 Leaders and Specialist program in labor, for example, indicated that the State Department was providing funds for up to

[19] George R. Webb to Certain American Diplomatic and Consular Offices, 7 October 1949, Central File 1945-49, Box 4403, RG 59, NACP.
[20] Ibid.
[21] Ibid.

four trade unionists from Ecuador and other Latin American nations to come to the United States to observe first-hand U.S. trade union administration, organization, and labor management. Ideally, these grantees would "absorb an understanding of the role of a free trade union movement in a democracy."[22] As in the earlier struggle against fascism, policymakers tried to avoid the appearance of meddling in the internal affairs of foreign nations. The State Department reminded embassy officials of the political implications of the labor grants, and warned that they should not consider individuals who were, or who had been, active in political life. The Communists might identify such political recipients, and then accuse the United States of interfering in domestic politics.[23]

Such fears were had some basis in reality. During the early months of 1950, the Ecuadorian newspaper *La Tierra*, referred to by the Public Affairs Officer (PAO) in Quito Joseph Privitera as the "Socialist organ of Quito," ran a series of articles attacking the exchange programs of the Institute of Inter-American Affairs. The author charged these programs with "infringing upon the sovereign rights of the country."[24] Privitera and others worried that such accusations could potentially affect the long-term success of the Foreign Leader Program in Ecuador. In order to best the Soviet Union and international communism, officials knew that they had to present the Foreign Leader Program as operating solely on a cooperative basis, as opposed to the totalitarian approach identified with the Soviets.

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[22] "Travel Grant Program – 1950 Fiscal Year: Leaders and Specialists in Labor Relations," 7 November 1949, Central File 1945-49, Box 4403, RG 59, NACP.
[23] "Travel Grant Program – 1950 Fiscal Year: Leaders and Specialists in Labor Relations," 7 November 1949.
[24] Joseph Privitera to Department of State, 7 February 1951, Central File 1950-54, Box 2305, RG 59, NACP.

Driven in part by this effort to control the image of the United States as reflected by the Foreign Leader and other exchange programs, State Department officials transferred responsibility for some of the program from the State Department to various outside organizations.[25] Policymakers contracted the Department of Labor and Agriculture, the Federal Security Agency, the Governmental Affairs Institute, and the National Social Welfare Assembly. Together these organizations assumed responsibility for the programming of 1,072 leaders for fiscal year 1952 from the fields of labor, women's activities, agriculture, education, public health, social welfare, community affairs, and youth activities.[26] State Department officials described these transfers as an important phase in the Foreign Leader program since the Leaders and Specialists Branch was now relieved of a number of administrative duties. With a lighter administrative load, officials working in the Leaders and Specialists Branch could now focus on the remaining areas of information (press, radio, and motion pictures), cultural activities, and other "miscellaneous" categories—leaving them with "direct responsibility" for 554 leaders during 1952.[27] This move, policymakers argued, would also improve the experiences of foreign leaders since their professional counterparts in the United States would were now scheduling the leaders' itineraries.

In her report on activities in Ecuador for 1949, Acting Public Affairs Assistant Lottie Paez argued that, in general, the exchange programs in Ecuador were bringing about a "higher standard in the social and economic life of the country and consequent

[25] "The Foreign Grantee Program of the Leaders and Specialists Branch, Fiscal Year 1952," 18 July 1952, Records Relating to Leaders and Specialist Programs, Box 106, RG 59, NACP.
[26] "The Foreign Grantee Program of the Leaders and Specialists Branch, Fiscal Year 1952," 18 July 1952.
[27] Ibid.

improved economic and cultural relations with the United States."[28] Many returned Ecuadorian grantees held "key positions" in the national government which had "in varying degrees…improve[d] its services by utilizing the experiences gained by U.S. trained personnel." In discussing the role of the American School of Quito, the "best educational institution in the country," Paez argued that "the Ecuadorans who have graduated thus far reflect their training in democratic ideals and purposes." She concluded that "no better foundation could be laid than this for combating communistic and other totalitarian ideologies."

As further evidence of the effectiveness of the exchange programs with Ecuador, Paez sent officials in the State Department a newly published agricultural magazine. The Office of Agriculture in Ecuador, headed at that time by Antonio Garcia who had been a State Department grantee in 1948, as well as a scholarship student at the University of Michigan, published the magazine. In addition, Hernan Orellana, who was a Department of Agriculture grantee in 1949, served as the chief editor. Inside the magazine, Ecuadorians nominated by embassy officials to receive training grants wrote three of the lead articles, and former Ecuadorian grantees and U.S. technicians assigned to Ecuador wrote eleven more.[29] In a country with an economy heavily dependent on agriculture, evidence of U.S. influence in this crucial field was a particular triumph.

Similarly, a number of leader grantees had since returned to Ecuador where they were reportedly using their new training. These included the Director of Census and

[28] Lottie R. Paez to Department of State, 10 January 1950, Central File 1950-54, Box 2304, RG 59, NACP.
[29] Paez to Department of State, 3 May 1950, Central File, 1950-54, Box 2307, RG 59, NACP.

Statistics, the Director of Forestry, the Director of the Public Health Center in Quito, the Director of the School of Agriculture of the University of Guayaquil, the Director of the Agricultural Experimental Station in Portoviejo and the Director of Civil Aviation. The present Minister of Public Works had also studied engineering in the United States under the auspices of the Institute of Inter-American Affairs, and the Minister of Economy had received an IIE fellowship to study economics in the United States. All of these examples suggested to Paez and others running the exchange and training programs that their efforts to influence a wide range of Ecuadorians were paying off.

The years 1948 to 1956 were a time of unprecedented political stability in Ecuador as three consecutive presidents completed their full terms in office. This period began with the election of Galo Plaza to the presidency in 1948. Through his efforts to establish the American School of Quito, Galo Plaza had proven himself a champion of education, and close relations with the United States. Or, as he himself put it in an address at the University of North Carolina:

> from my experiences as a student in the United States I learned to admire and love this great nation of yours and always dreamt that knowledge and understanding of both our cultural backgrounds could bring about a powerful democratic America that would become a beacon for the world to follow.[30]

Throughout his career Galo Plaza worked to improve cultural understandings among American peoples. As president he continued this crusade by consistently embracing opportunities to expand and improve cultural relations between Ecuador and the United States.

[30] Galo Plaza Lasso, *Problems of Democracy in Latin America* (Chapel Hill: The University of North Carolina Press, 1955), 4.

In his 1950 address to the Ecuadorian congress President Galo Plaza promised to coordinate his administration's educational activities with those of its economic development program.[31] He used the new rural education program, which operated in cooperation with the Servicio Cooperativo Interamericano de Educación run by the Education Division of the Institute of Inter-American Affairs under the Point Four Program, as an example of the impact he hoped to make. The program was preparing teachers and curricula "which will assist rural citizens in reaching a higher economic level by using better methods of farming, and at the same time, enable them to enjoy a higher standard of living."[32] This approach was clearly in-line with the goals of Point Four. Galo Plaza also praised the work of public finance technicians from the United States who were "assisting us to put our fiscal system in order," as well as U.S. technicians in agriculture and public health. In short, Galo Plaza used his congressional address to assert his determination to continue working closely with the various exchange and development programs of the United States.

Underlying U.S.-Latin American relations during this era was the concern of U.S. officials over the issue of political stability. Instability was considered to be a breeding ground for communism. Two years into his term, Galo Plaza had already been in office longer than the average Ecuadorian head of state, yet USIE officials still worried that "the political scene [was] charged with numerous cross-currents and present[ed] a potentially dynamic situation."[33] Traditional divisions among the political and economic elites of

[31] Privitera to Department of State, 1 September 1950, Central File 1950-54, Box 3293, RG 59, NACP.
[32] Ibid.
[33] Privitera to Department of State, 6 July 1951, Central File 1950-54, Box 2305, RG 59, NACP.

Guayaquil and Quito were once again visible, as individuals on both sides tried to maximize benefits for their home region. Galo Plaza thus faced "political and regional groups and combinations [that] vie behind the scene to upset the existing balance of power which may possibly result in the overthrow of the administration."[34] These divisions were had emerged earlier during the territorial waters dispute discussed earlier as the fisherman's union in the coastal town of Manta pressured the Ecuadorian Congress and Galo Plaza to protect their local interests.

When it came to political stability in Ecuador and The Third World, U.S. officials often were not quick to give promising leaders the benefit of the doubt. In Ecuador, USIE officials were particularly concerned with the "marked impartiality" to foreign "propaganda" that they saw in the actions of Galo Plaza. The president had granted tourist and official passports to "known and suspected Communists."[35] Despite Galo Plaza's long history of allegiance to the United States and of championing U.S. ideologies, during the early years of the Cold War, some U.S. officials considered any appearances of impartiality to communism to be a dangerous sign.

Not surprisingly, PAO Privitera and others saw the influence of communists most clearly in the cultural and educational organizations in Ecuador, the majority of which he described as "either controlled or infiltrated by leading intellectual Socialists and other Left-Wing representatives."[36] Privitera claimed that Galo Plaza's apathy towards communist propaganda encouraged this alignment of intellectuals with communism. The

[34] Privitera to Department of State, 6 July 1951.
[35] Ibid.
[36] Ibid.

president, he claimed, viewed communism with "an apparent blandness," so that "many of the cultural leaders consider it, if not fashionable, at least smart, to possess Leftist tendencies."[37] This made Ecuador, according to Privitera, a "soft under-belly" on the West Coast of South America that "offer[ed] a unique haven to international Communists."[38] As his colleagues had before him following the attack on Pearl Harbor, Priviterra emphasized the strategic importance of Ecuador in the struggle to maintain U.S. hegemony.

By 1952, the overriding psychological objective in the State Department's Country Plan for Ecuador was to challenge attitudes of neutralism that Privitera claimed were prevalent among some segments of Ecuadorians, while simultaneously convincing them that economic and cultural cooperation with the United States and other free nations was in the best interest of Ecuador.[39] In addition, Embassy staff encouraged the government of Ecuador to continue its support of U.S. policies at the United Nations and at the Organization of American States. Privitera reported that Ecuadorian officials had already provided "strong support of U.S. regional and world policies" in both organizations, thus revealing their support of U.S. hegemony.[40] In this connection, officials also pointed to the "absence of significant trade" with the USSR or with Soviet satellites. Policymakers considered this absence, along with the lack of diplomatic relations between Ecuador and the Soviet Union, to be evidence of Ecuadorian support

[37] Privitera to Department of State, 6 July 1951.
[38] Privitera to Department of State, 1 August 1951, Central File 1950-54, Box 2305, RG 59, NACP.
[39] "USIE Country Plan, Ecuador," 5 February 1952.
[40] Ibid.

for the United States.[41] Despite these positive signs, serious problems remained. Economic underdevelopment, a relatively low standard of living, social unrest, and a high percentage of illiteracy were all significant enough to cause U.S. officials to worry that Ecuadorians were susceptible to communist propaganda.[42]

In 1952, Galo Plaza completed his full term and handed over the reins to Velasco Ibarra, whom Ecuadorians had elected to a third term as president. Velasco Ibarra inherited a country that, at least on paper, was experiencing a period of prosperity that was unusual in its recent history.[43] Yet the return of Velasco Ibarra brought new concerns for U.S. officials who never fully understood his behavior. Velasco Ibarra's allegiance to the cultures of Europe, particularly French culture, combined with his populist image to cause worry in Washington. Still, officials held out hope, since Embassy staff reported that the top members of the new administration were "uniformly anti-communist and right of center."[44] The Minister of Education, Jose Martinez Cobo, for example, had stated that he would "drive out every communist he could from government posts and from the schools of the nation."[45] Despite the change in presidential administrations, the targets of USIE efforts in Ecuador remained largely the same as they had been during Galo Plaza's administration—intellectuals, labor, university students and educators.

From 1953 to 1957, U.S. officials continued to fine tune the Foreign Leader Program. Initially, this meant building up the specialist division, which policymakers had

[41] "USIE Country Plan, Ecuador," 5 February 1952.
[42] Ibid.
[43] Linton L. Barrett to Department of State, 21 November 1952, Central File 1950-54, Box 2306, RG 59, NACP.
[44] Barrett to Department of State, 21 November 1952
[45] Ibid.

established in 1952.[46] In 1956, the new Leaders and Specialist Division of IES was then split into three different branches—Foreign Leaders, American Specialist and Foreign Specialist—as officials at IES worked to expand the program into Asia and Africa.[47] Out of the 192 American Specialist grants awarded during this year, 97 went to grantees traveling to Asia and Africa while officials divided the rest of the grants evenly between specialists traveling to Europe and to Latin America. These specialists represented twenty-five fields—youth leadership, journalism, music, religious affairs, community recreation and welfare, history, agriculture, philosophy, law, women's affairs, atomic energy, literature, sciences, economics, political science, public administration, communications, theater, labor, education, art, medicine, English teaching, social services, and library science.[48] When combined, these fields covered the most important aspects of life in the United States about which officials in Washington hoped foreign peoples would learn.[49]

During the early Cold War, exchange programs enjoyed the support of President Eisenhower, who, during his address to the 1953 annual meeting of the American Council of Education, argued that greater mutual understanding was the key to continued peace in the world:

[46] "Semi-Annual Report, January 1, 1955-June 30, 1955, Leaders Division."
[47] "Annual Report, Leaders and Specialists Division, July 1, 1956 - June 30, 1957," Records Relating to Leaders and Specialists Programs, Box 106, RG 59, NACP.
[48] Ibid.
[49] Ibid.

> I am talking about the understandings that must come about in the world, if we are to achieve, in this day and time, that sort of machinery—the kind of techniques—that will allow people to live together without intermittent conflict. [50]

Achieving this understanding, the president suggested, required the continued efforts of educators, administrators and officials around the world since "your programs of interchange of students and professors and others in schools, is one of the great ways—one of the principal ways—that this can come about."[51] Regarding Latin America, a 1953 report on South America urging the president to strengthen the exchange programs written by the president's brother, Dr. Milton Eisenhower, reinforced President Eisenhower's belief in cultural exchange.

In addition to the usual rhetoric praising mutual understanding and cooperation in terms of economics, politics and the military, Dr. Eisenhower argued that "the whole inter-American system is and must be based on the reality of juridical equality and the concept of consent, not coercion."[52] This juridical equality was one of the central concerns of Latin American governments involved in the territorial waters negotiations. Their representatives insisted that each government be granted equal freedom in determining the limits of national sovereignty. One could interpret Dr. Eisenhower's statement on equality in various ways. On the one hand, he was suggesting that relations between all of the independent republics of the inter-American system had to be treated

[50] "Remarks of the President at the Annual Meeting of the American Council on Education," 9 October 1953, Records of the Chief of the Leaders and Specialist Division—Office of Cultural Exchange, Box 3, RG 59, NACP.
[51] Ibid.
[52] "International Educational Exchange Service Comments on Report by Dr. Milton Eisenhower," 8 January 1954, IEES, Memoranda, Reports and Other Records of the Program Development Staff, 1951-56, Box 3, RG 59, NACP.

as relationships among equals, with no state using its superior strength to force another to do something against its will. On the other hand, Dr. Eisenhower clearly positioned the United States at the head of this system. Nowhere in his report did he suggest otherwise. Therefore, one could also read this passage as emphasizing the need for the United States to generate consent to its policies among the various populations of the Americas—an interpretation born out in the language of the report.

In discussing economic cooperation, for example, Eisenhower noted that "we found misunderstanding of the United States in South America—misunderstanding especially of our economic capacity and an underestimation of the degree of the sacrifices the people of the United States have made since 1941."[53] Eisenhower was concerned that the peoples of Latin America misunderstood the position of the United States, particularly the capacity for the United States to solve Latin American economic problems during this time when the United States was focused elsewhere globally. In this case, then, the image projected by the United States needed to be a realistic one that did not raise Latin Americans' expectations too high. Eisenhower saw education and training as the keys to achieving this goal. He reported that around 70,000 students each year enrolled in American-sponsored schools in South America, and that the technical cooperation programs were some of the "most successful methods of promoting mutual understanding."[54] Despite the evidence of misunderstanding in the field of economics, which Dr. Eisenhower argued needed to be addressed, he concluded that in general "we

[53] "International Educational Exchange Service Comments on Report by Dr. Milton Eisenhower."
[54] Ibid.

learned that in South America there is a growing understanding of the United States, its methods, and its philosophy." Dr. Eisenhower urged his brother to continue fostering this understanding through expanded programs of intellectual and cultural cooperation.

The Foreign Leader Program in Latin America continued to grow during the Eisenhower Administration. In 1954, IES officials requested, and received, supplementary appropriations from Congress targeted exclusively at Latin America.[55] Dr. Eisenhower's report of the previous year seemed to be having an effect. With this new funding, IES was able to award grants to three times as many foreign leaders from Latin America for the upcoming 1955 fiscal year than they had been able to for 1954.[56]

Yet problems with the educational exchange programs in Ecuador continued. While eight years of continuous economic growth had led to an expansion of jobs, for example, there were still not enough job opportunities for even the "limited number" of college-educated Ecuadorians. The total number of lawyers and liberal arts graduates was "far in excess" of the number of jobs available.[57] This problem was part of a broader issue that threatened to undermine U.S. cultural policies throughout Latin America—the relative slowness with which the benefits of these programs reached the masses. In the case of Ecuador, the lack of jobs for the college educated suggested significant holes in the development of Ecuador's infrastructure. If those who were doing what they thought was necessary to compete and to succeed in the economic system promoted by their government were having trouble finding opportunities, then that foreshadowed even

[55] "Semi-Annual Report, January 1, 1955-June 30, 1955, Leaders Division."
[56] Ibid.
[57] "Under Employment College Trained People," 29 November 1954, A.C.F. International Educational Exchange Service, 1951-59, Box 8, RG 59, NACP.

greater difficulties for the disenfranchised masses. Nevertheless, embassy officials and their colleagues in Washington worked to expand Ecuadorian participation in the exchange programs.

The working journalist program was part of this growth in interest in U.S.-Latin American exchanges. In an effort to reach a broader audience outside of the United States, U.S. officials began in 1951 to bring groups of journalists from other countries to the United States.[58] Under this program, officials hoped to provide grantees with "working knowledge of American newspaper practices; and, by their experience as members of American communities, to provide them with a factual knowledge of life in the United States which they [would] report to their home newspapers."[59] Policymakers modeled the program on a NATO operation that had proven successful. Journalists who had participated in that program had written a "large number" of articles that were favorable to the United States. [60] As one participant put it, "it is through exchange programs such as yours that a great deal is done to remove misunderstandings and to create a spirit of community among the peoples of the western world which is essential if they are to hold their own in these dangerous times."[61] This was precisely what policymakers wanted. For the new Latin American program, they planned to bring three to four groups of working journalists—not owners of newspapers—from the region to the United States for tours lasting thirty days.

[58] "Under Employment College Trained People," 29 November 1954.
[59] Ibid.
[60] "Educational Exchange: Latin American Informational Project, Fiscal Year 1955," 30 September 1954, Records Relating to Leaders and Specialists Programs, Box 106, RG 59, NACP.
[61] Ibid.

The ultimate goal of the journalist program was to give the participants opportunities to experience a variety of areas of life in the United States—industrial, political, social, agricultural, military, general economic, and cultural. These experiences, policymakers hoped, would generate a "greater understanding" of life in the United States, as well as of U.S. public opinion, and ultimately of U.S. foreign and domestic policies. The underlying theme of the program was to convince the journalist of the preparedness and willingness of the United States to "contribute to the defense efforts and economic well being of the rest of the free world." The journalist program thus fit within the Cold War paradigm of U.S. foreign policy during this era.[62] By 1955, the working journalist program had become so successful and popular, that every Latin American post that had already sent a participant requested more grants for 1956.[63]

Many of the exchange programs had long-term effects that were hard to measure. There were, however, exchange programs that showed more immediate results. Programs in military and police training, for example, sought to ensure internal stability in Ecuador by training the national security forces using methods developed in the United States. Regarding these programs in, PAO Walter Bastian echoed earlier reports that the technical assistance programs focused on the military and police forces "dwarfed" the IES program.[64] This imbalance between the military and police programs and those targeting civilians made sense to Bastian and others who believed that "he who control[led] the army control[led] the government," in Ecuador. These men felt that "the

[62] John Foster Dulles to American Embassies and Consulates in Latin America, 17 January 1956, Records Relating to Leaders and Specialists Programs, Box 106, RG 59, NACP.
[63] "Semi-Annual Report, January 1, 1955-June 30, 1955, Leaders Division."
[64] Ibid.

favorable regard in which the army now holds the United States" was due "to the large number of officers and enlisted men who have trained at American service schools."[65]

In addition to the programs of military training, IES staff also oversaw a Foreign Specialist Group program aimed at Ecuadorian police administrators. Two of the participants, Lieutenant Jaime Cabrera and Lieutenant Pacifico de los Reyes, had "profited greatly" from the program. Both trainees expressed "complete satisfaction" with the program, and according to Cultural Affairs Officer (CAO) Michael Karnis, their participation would "assist us greatly toward the realization of our country objectives."[66] As with the Ecuadorian military, the National Police in Ecuador was "on most friendly terms with the American mission." The police offered their support "in every way possible, its chiefs being fully aware of the value which the police training grants have had for its participants."[67] In terms of internal security, then, the Ecuadorian military and police forces seemed firmly embedded in the U.S. camp.

In January 1955, embassy officials in Quito nominated Enrique Echeverria Galvanes and Antonio Romo Davila for the working journalist program.[68] Walter Bastian described Echeverria, who worked for *El Universo* in Guayaquil, as a "serious-minded" and "extremely able" newspaperman, who asked "searching and penetrating questions at press conferences."[69] Echeverria was also serving as the General Counsel for the national journalist union in Ecuador, and thus he was in a position of some influence over his

[65] Bastian to Department of State, 26 January 1955, Central File 1955-59, Box 2109, RG 59, NACP.
[66] Michael Karnis to Department of State, 16 April 1957, Central File 1955-59, Box 2109, RG 59, NACP.
[67] Ibid.
[68] Bastian to Department of State, 20 January 1955, Central File 1950-54, Box 2109, RG 59, NACP.
[69] Ibid.

fellow journalists.[70] Embassy staff also nominated Rafael Gomez Buenaño, and Rafael Alberto Borja Ortega. Gomez was a general assignment reporter for *El Comercio*, and Borja was the Editorial Chief of the Quito bureau of *El Universo.* If forced to nominate only one, Bastian suggested that Gomez was more important because he worked for the influential *El Comercio*, which had long been a target of USIS interest in Quito.[71] Yet Bastian recommended that "in order to extend American influence as widely as possible in this priority country, means be found to effect both grants at this time."[72] Again, because of its geographic location and relative weakness when compared to its immediate neighbors, some U.S. officials, among them PAO Bastian, considered Ecuador to be a strategic priority. On 14 February 1956, officials in Washington decided to award grants to both candidates.[73]

In December 1955, U.S. embassy officials also nominated Nicolas Ulloa Figuera for a foreign journalist grant. Bastian claimed that Ulloa's nomination was especially important since he would someday inherit and direct his father's newspaper *La Prensa*. Thus, according to Bastian, "a grant to him would help to dispose a newspaper to the national interest of the United States for many years ahead."[74] Described as "friendly" towards the United States, Bastian suggested that Ulloa still needed a deeper

[70] Bastian to Department of State, 20 January 1955.
[71] Bastian to Department of State, 7 December 1955, Central File 1955-59, Box 2109, RG 59, NACP.
[72] Bastian to Department of State, 25 November 1955, Central File 1955-59, Box 2109, RG 59, NACP.
[73] Ibid.
[74] Bastian to Department of State, 7 December 1955.

understanding of political institutions in the United States "in order to render this disposition more fruitful."[75]

While officials had already exhausted the 1956 budget for the journalist program in Ecuador with the awards for Gomez and Ulloa, Bastian wrote the Department requesting special assistance for the Ecuadorian journalist Lilo Linke. Described as the "most important woman journalist in the country," Linke had been born in Germany and was "highly respected" in Ecuadorian cultural circles.[76] As a special features author for *El Comercio,* the owners of the Quito daily had already agreed to pay Linke's salary while she traveled to the United States on a trip sponsored by the Agricultural Division of the U.S. Operations Mission in Ecuador. Arguing that Linke's column written from the United States would have "considerable influence among out [*sic*] primary target audience," Bastian hoped that the State Department would agree to pay her per diem expenses.[77] In addition to her work as a journalist, Linke was also a respected author who wrote an influential English-language history of Ecuador, but as a German, officials certainly would not have offered her this opportunity fifteen years earlier.[78] The shift from the anti-fascism of World War Two to the anti-Communism of the Cold War made her story possible.

Linke was not the only Ecuadorian author awarded a Foreign Leader grant. As mentioned earlier, Benjamin Carrion was also among those Ecuadorians nominated for foreign leader grants during this period. Carrion was a leading author in Ecuador, as well

[75] Bastian to Department of State, 7 December 1955.
[76] Bastian to Department of State, 14 May 1956, Central File 1955059, Box 2109, RG 59, NACP.
[77] Ibid.
[78] Lilo Linke, *Ecuador: Country of Contrast* (1954; reprint, London: Oxford University Press, 1962).

as the former secretary general of the Socialist Party of Ecuador. In 1955, the Secretary General of the OAS, Carlos Davila, extended an invitation to Carrion to present a lecture at the Pan American Union.[79] State Department officials felt that this would be a perfect opportunity to award a foreign leader grant to Carrion. This was a period when U.S. policymakers were emphasizing the role of international organizations such as the OAS, and the UN in maintaining the international system promoted by Washington. A foreign leader grant from the United States for Carrion could perhaps win favor among the member states of the OAS who were, after all, at this time challenging the U.S. insistence on the three-mile limit on territorial waters. Though the brief biographical sketch that accompanied Carrion's application stated that his "exact political stand" was "unknown," Davila's interest in him impressed U.S. officials. Officials therefore awarded Carrion a grant, and his trip proved to be a great success. Although he was a known leftist, Bastian reported that Carrion was now showing a "marked interest" in a cultural treaty with the United States. This development, according to Karnis, was significant since Carrion was a man of "great national stature" who as president of the "communist-infiltrated" Casa de Cultura was "listened to with great respect."[80]

From the labor division of the Foreign Leader Program, U.S. officials in Quito nominated Cesar Humberto Navarro. Navarro was a Senator, but Bastian claimed that he now had no political affiliations after the Socialist Party expelled him for being too conservative.[81] This was not the first time that embassy officials had worked with

[79] Dulles to Dreier, 17 February 1955, Central File, 1955-59, Box 2109, RG 59, NACP.
[80] Bastian to Department of State, 3 August 1955.
[81] Bastian to Department of State, 28 December 1955, Central File 1955-59, Box 2109, RG 59, NACP.

Navarro. In 1945, Navarro had helped to arrange a meeting with Ecuadorian labor leaders of "non-communist leanings" and Kenneth Holland during the latter's travels in Ecuador, and this had impressed Embassy staff. Because the Ecuadorian government had already agreed to fund Navarro's trip to the United States so that he could investigate ways to increase U.S. tourism to Ecuador, Bastian and others at the embassy felt that this might be a good time to approach the senator. Navarro, Bastian argued, represented "the middle-of-the-road leader who is very scarce indeed in Ecuador," and in order to reach labor parties in Ecuador, which were primary targets of the Foreign Leader program, Bastian believed that they needed to "begin with such a person as Navarro who is already somewhat predisposed toward us."[82] Starting with someone from the far left who might be unwilling to participate, or whose participation the communists might easily use against him and the United States, seemed like an unwise decision at this point.

In addition to the leaders discussed above, Ecuadorian students also continued to receive Foreign Leader grants. Of the several graduate students grantees for 1955, the name Juan Miguel Quevedo Garcia stood out. The son of a former Ecuadorian delegate to the United Nations, Quevedo was also a lawyer for an Ecuadorian firm that handled more cases for U.S. businesses operating in Ecuador than any other local practice.[83] Given his intellectual ability, his "social presence", his previous experiences living in the United States, and his desire to study comparative law in order to better serve the U.S. companies he represented in Ecuador, CAO Karnis ranked Quevedo's nomination at the

[82] Bastian to Department of State, 28 December 1955.
[83] Karnis to Department of State, 5 December 1955, Central File 1955-59, Box 2109, RG 59, NACP.

top of the list.[84] Differences in legal interpretations did at times develop into challenges to U.S. hegemony in the Third World. Attempts to foster common legal points of view, as represented by Quevedo's grant, were thus part of the broader goal of maintaining the U.S. Empire. In addition to the graduate students, four out of the six undergraduate nominees for 1955 were graduates of the American Schools of Guayaquil and Quito—both schools thus seemed to be achieving the desired long-term effects envisioned by Galo Plaza Lasso, Boaz Long and their colleagues.[85] Having graduated from institutions designed to make it easier for Ecuadorian students to continue their education in the United States, policymakers now offered these students an opportunity to continue their education in the United States.

Given the heightened ideological tensions of the Cold War, officials running the exchange programs during this era continued to worry about the political implications of the foreign leader grants. In 1956, cultural affairs officers in Quito and officials at the Department of State had awarded Humberto Navarro a foreign leader grant in labor. CAO Karnis worried that any perceived connection between Navarro and the U.S. government could weaken his position as a labor leader. Navarro himself had raised this concern, and he had thus secured his own transportation to Miami. From Miami Navarro would then take a bus to Washington, D.C., to avoid any appearance of a connection with the U.S. government. This, PAO Bastian argued, was a "highly unorthodox" approach. Since Navarro was one of the few "well-oriented labor leaders of importance" in Ecuador,

[84] Karnis to Department of State, 5 December 1955.
[85] Ibid.

Bastian thought that the elaborate procedure was necessary in order to "preserve the appearance that his anti-communist campaign is completely his own idea."[86] In this ideological battle between the White House and the Kremlin, appearances were extremely important. The message that U.S. policy was not imperialistic might be difficult to believe if Latin Americans know about the direct government funding of foreign leader grants, particularly of grantees such as Navarro who worked in politically sensitive fields.

This sensitivity to the political implications of Foreign Leader grants was, of course, part of the rational for outsourcing the running of these programs to the private companies discussed earlier. Still, as had happened during the Arroyo del Rio Administration, Ecuadorian officials again tried to manipulate the workings of the exchange programs for political ends. When in 1957 news reached Quito that former president Velasco Ibarra was returning from Uruguay, where he had been teaching, the sitting president, Camilo Ponce, confidentially asked Ambassador Christian Ravndal if the ambassador could arrange for an offer for him to teach in the United States.[87] Ponce had heard rumors that Velasco Ibarra was associating with leftists in Montivideo, and he believed that the former president "should be insulated against the Left [in Ecuador] and that the best way to accomplish this would be to offer him a chair at an American university of prestige."[88] During the previous administration of Velasco Ibarra, Ponce had been a vocal critic of his policies. With the former president scheduled to return to

[86] Bastian to Department of State, 4 April 1956, Central File 1955-59, Box 2109, RG 59, NACP.
[87] Snow to Berding, 10 September 1957, Central File 1955-59, Box 2109, RG 59, NACP.
[88] Ibid.

Ecuador, Ponce worried that the populist, who he described as a "potent political figure", might constitute a threat to the stability of Ponce's administration.[89] Velasco Ibarra's association with Carlos Guevara Moreno, a "Peron-type" leader of Ponce's main opposition party, the Concentration of Popular Forces (C.F.P.), was of particular concern to the sitting president.[90] Guevara too would soon be a person of interest to officials running the foreign leader program.[91]

Policymakers in the United States tended to have a hard time trusting Velasco Ibarra. This issue had surfaced during the president's first two administrations in 1934 and 1944. Now, almost nine years later, Ambassador Ravndal returned to past themes. He described Velasco Ibarra's political outlook as being comprised of "elements of 18th century French liberalism, nationalism, and paternalism overlaid with his own highly unpredictable personality." These descriptors were all buzzwords for someone about whom U.S. officials needed to worry.[92] According to Ravndal, "a sojourn in the United States under proper conditions might make Velasco Ibarra more sympathetic to our point of view," and thus such a trip "would be in the interest of the United States."[93] This type of political manipulation was nothing new. In 1944, president Arroyo del Rio had successfully kept his political enemies from participating in the exchange programs that the Department of State was then beginning to formalize. Now, however, the situation

[89] Snow to Berding, 10 September 1957.
[90] Ibid.
[91] Memorandum of Conversation, 17 September 1957, Central File 1955-59, Box 3005, RG 59, NACP.
[92] Snow to Berding, 10 September 1957.
[93] Ibid.

was a bit different as Ponce hoped to keep his political rival even from returning to Ecuador.

Interested in Ponce's plan, Secretary of State Dulles and others at the Department of State began arranging for a lectureship for Velasco Ibarra. These early efforts to find a prominent U.S. university to invite the former president pleased President Ponce.[94] He emphasized, however, that the offer should come from a university, rather than from any organization directly linked to the U.S. government in order to avoid any appearance of government meddling. Ambassador Chiriboga predicted that Velasco Ibarra had a "good chance" of becoming President of Ecuador again, and since he had never before been to the United States, Chiriboga felt that "it would certainly be a good thing for him to be invited here by an American university." In doing so, the U.S. government might neutralize Velasco Ibarra, while also assisting President Ponce who had proven to be "a true friend of the United States."[95] To the Ecuadorian ambassador, then, a lectureship in the United States for Velasco Ibarra could benefit both Ecuador and the United States, both now and in the future. Ultimately, however, assistant secretary of state for Latin American Affairs Roy Richard Rubottom informed Chiriboga that Velasco Ibarra was proving to be a "difficult person to sponsor." Rubottom offered the ambassador no encouragement that the situation would improve.[96] Thus, officials dropped the plan to use the exchange program as a pretext to remove Velasco Ibarra from Ecuador for political purposes.

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[94] Ravndal to Dulles, 11 September 1957, Central File 1955-59, Box 3005, RG 59, NACP.
[95] Memorandum of Conversation, 17 September 1957, Central File 1955-59, Box 3005, RG 59, NACP.
[96] Memorandum of Conversation, 4 October 1957, Central File 1955-59, Box 3005, RG 59, NACP.

In connection with the Velasco Ibarra plan, Ambassador Ravndal realized that a grant for CFP leader Guevara, the man identified as the one responsible for bringing Velasco Ibarra back to Ecuador, might also contribute to political stability in Ecuador. Ravndal suggested that the Department of State award Guevara some type of travel grant allowing him to come to the United States in order to both "orient him to the American way of life," and to remove him from the domestic political scene.[97] In his report, Ravndal described Guevara as a "truly strong and growing force" in Ecuadorian politics who "conceivably might be elected President in 1960."[98] While embassy officials considered the CFP to be a serious challenge to Ponce's Conservative party, the potential complications that might arise if anyone discovered that the U.S. government had brought Guevara to the United States seemed to outweigh the potential benefits of awarding him a grant. Such a discovery could conceivably damage the "present cordial relations" between Quito and Washington, especially if Guevara took advantage of his time in the United States to "rabble rouse."[99] Guevara might, for example, attack the United States on the sensitive issue of desegregation. In addition, a grant could provide political capital for Guevara as some might consider it to represent U.S. support of his potential presidential bid in 1960. Political considerations thus negated the awarding of a grant to Guevara.

Despite these challenges in the political Foreign Leader Program, the student program in Ecuador continued to flourish during 1956. Intellectuals were always a

[97] Ravndal to Department of State, 17 September 1957, Central File 1955-59, Box 2109, RG 59, NACP.
[98] Ibid.
[99] Ibid.

primary target for the U.S. exchange programs in Ecuador. In 1956, Embassy officials identified the economics faculties of the University of Guayaquil and the Central University of Quito as being particularly worrisome. Both faculties, according to Bastian, "have within them some elements which are—to say the very least—oriented toward left wing economic theory."[100] Yet apparently things were changing; there were now eleven young professors teaching economics at Central University who had trained in either the United States, or in "well-oriented schools of economics" in Spain, England, and Chile. These professors reportedly welcomed "the cooperation of the United States in helping them to raise the standards of their school."[101] They had even convinced the Dean of Central University, Manuel Agustin Aguirre, whom Bastian described as a well-known and respected leftist, to write a letter to the Department of State requesting a visiting professor in economic theory for the university. The Dean also suggested an increase in the number of grants allowing Ecuadorian students of economics to study in the United States. The efforts of these eleven faculty members, along with the requests of their Dean, suggested that progress was being made in achieving one of the USIS country objective for Ecuador—"to bring American economics into the presently Marxist dominated schools of Economics of the Universities of Quito and Guayaquil."[102] Once properly oriented, it was hoped, students in these schools of economics would receive an education along the lines of the world capitalist system promoted by Washington.

[100] Bastian to Department of State, 25 April 1956, Central File 1955-59, Box 2109, RG 59, NACP.
[101] Ibid.
[102] Ibid.

In the meantime, the rector of Central University, Dr. Alfredo Pérez Gurrero, was reportedly showing "increasing friendliness" to Bastian and other USIS officers specifically, and to the United States generally.[103] At this point Bastian downplayed the possibility that Pérez was a communist, suggesting that instead he was probably an "opportunist" who used his image as a left-wing intellectual to mollify the student body and the faculty.[104] Bastian still recommended, however, that Pérez's nomination be taken seriously since the award could strengthen the U.S. image in Ecuadorian intellectual circles.[105] Embassy staff nominated Pérez for a Foreign Leader grant in 1957, and in his nomination packet, Karnis described the rector as one of the "vital key figures" in Ecuador. [106] Although Pérez was interested primarily in making contact with university administrators in the United States, officials also suggested that he be given a "full orientation" on student government organizations, "especially as related to international affiliations, and the development of youth leadership on our [U.S.] campuses."[107] This might help Pérez to identify the Sino-Soviet orientations of student organizations in Ecuador, while also providing him with a model for a more moderate form of student organization that he could pass on to his own students.

In keeping with the emphasis on Ecuadorian students and universities, Secretary of State Dulles informed embassy officials in Quito that the Department of State was exploring the possibility of establishing a student leader program for 1957. With the

[103] Bastian to Department of State, 16 July 1956, Central File 1955-59, Box 2109, RG 59, NACP.
[104] Ibid.
[105] Ibid.
[106] Karnis to Department of State, 1 April 1957, Central File 1955-59, Box 2109, RG 59, NACP.
[107] Ibid.

support of the Pan American Union, State Department officials planned to bring twenty Ecuadorian student leaders to the United States.[108] Embassy officials in Quito hoped to encourage the rector to reorient the student organizations on his campus. If he could not do the job, however, perhaps a trip to the United States by key student leaders would help to convince them of the dangers of the communist path. Policymakers in Washington advised Bastian was choose the student candidates carefully, and to consider "whether their effectiveness as potential anti-Communist leaders might in any way be jeopardized by the fact of a visit to the United States under these auspices."[109] Shortly after receiving these instructions, officials in Quito submitted their list of twenty candidates. Karnis suggested that, even at this early stage in the execution of the new program, there had been a marked increase in the "acceptance of and desire to understand more about United States universities on the part of the Ecuadoran university administrations and student bodies."[110] This acceptance meant that "for the first time Embassy officers have been able to enter into close association with the student organizations and talk frankly on a friendly basis about the needs of the university students and about the means by which their needs can be met through the exchange-of-persons program."[111] Thus Karnis and his staff seemed to be making progress in reaching the university students of Ecuador.

In addition to their successes in reaching Ecuadorian students, embassy staff also reviewed favorably the work of returned Ecuadorian trainees. Jorge Jurado, an assistant

[108] Dulles to American Embassy in Quito, 22 January 1957, Central File 1955-59, Box 2109, RG 59, NACP.
[109] Ibid.
[110] Karnis to Department of State, 11 February 1957, Central File 1955-59, Box 2109, RG 59, NACP.
[111] Ibid.

manager at *El Comercio*, for example, was reportedly using his grant experience to "good effect" by promoting greater U.S.-Ecuadorian understanding and cooperation.[112] According to Karnis, Jurado was now "an outspoken proponent of the Pan-American cause" who defended "the objectives of our country in its Latin American foreign policy."[113] Similarly, Jose Vicente Vargas had "unquestionably become of greater service to his national police as a result of the experience gained from the grant and because of professional training acquired and contacts established during that period."[114] Overall, the doubling of the P.L. 402 budget for Ecuador in 1957 had allowed Karnis and his staff to make a "marked advance" in all target areas.[115] Karnis reported that the student exchange program discussed above went smoothly, despite being the largest project executed up to that point. After their return, the students were "voluntarily carrying out numerous activities on their campuses under the direct counsel of the exchange officer and the group leader." These activities would, Karnis believed "assure in the long range a change in the attitude of many of the students toward the United States."[116] The trip had been so successful in fact that Karnis and his staff planned to repeat it in 1958.

Efforts to maintain favorable relations with the media in Ecuador had also gone well over the past year. Humberto Vacas Gomez, awarded a foreign leader grant in this field, had a "great impact" upon the Ecuadorian population through his articles and speeches. According to Karnis, "the investment in Vacas Gomez has yielded rich

[112] Karnis to Department of State, 6 June 1957, Central File 1955-59, Box 2109, RG 59, NACP.
[113] Ibid.
[114] Ibid.
[115] Karnis to Department of State, 10 July 1957, Central File 1955-59, Box 2109, RG 59, NACP.
[116] Ibid.

dividends in the form of prestige for the United States in Ecuador because as former functional senator representing cultural entities and currently director of the Quito municipal department of cultural relations, he is a respected figure, one with many contacts, and one who is outspoken in his praise of our institutions."[117] Ecuadorian and U.S. officials alike considered the grant awarded to Pérez to be a "most commendable and farsighted action," that would have a "favorable repercussion on U.S. acceptance in Ecuador." The publisher of *El Comercio* even went so far as to say that the Pérez award was "one of the best diplomatic moves" that the United States had made in Ecuador.[118] When Embassy officials involved in the maintenance of these programs looked back over the years 1949 to 1957, what they saw emphasized their beliefs in the value of the exchange programs.

From 1949 to 1957, as the Cold War heated up, the architects of the Foreign Leader Program hoped both to convince Ecuadorians and peoples from other countries of the Third World that the U.S. capitalist system was superior to the communist alternative, and to give them the education and training needed to succeed in this system. By targeting specific segments of society—intellectuals, labor, university students and educators intellectuals—officials worked to maximize the impact of the training offered. Leaders from each segment came to the United States for a short period, and then returned to their home nations where they were expected to share what they had learned. The Foreign Leader Program represented a continuation of the efforts started during

[117] Karnis to Department of State, 10 July 1957.
[118] Ibid.

World War Two to increase consent to U.S. policy by the peoples of Latin America, and now the Third World.

IV. Towards a New Hegemony, 1958-1963

7. Testing U.S. Hegemony at Punta del Este

On 13 March 1961, President John F. Kennedy announced his administration's new Latin American policy—the Alliance for Progress. Addressing a group of U.S. congressmen and Latin American diplomats, Kennedy called on the nations of the Americas to join in a vast cooperative effort. Kennedy pledged an increase in economic aid from the United States to help Latin American governments implement long-range development plans conceived of by these governments. Latin Americans would thus play a key role in the Alliance. Once again officials in Washington promised to cooperate more fully with their southern neighbors. With the Cold War heating up, the Kennedy Administration increasingly relied on a multilateral approach to maintain U.S. hegemony in Latin America as evidenced by both the rhetoric of the Alliance, and policymakers' efforts through the Organization of American States (OAS) to marginalize Fidel Castro's Cuba.

Some scholars consider the Alliance for Progress to be a significant break with previous U.S. policies toward Latin America. By speaking in "bold and heady terms of billion-dollar aid for a decade of planned economic development and social reform in the hemisphere," Kennedy had, according to historians Jerome Levinson and Juan de Onís, signaled a "dramatic and fundamental reorientation" of U.S. policy towards Latin America.[1] Ultimately, however, the Alliance for Progress reflected a continuation of U.S. concerns with hemispheric security. Despite the insistence on democratic forms of

[1] Jerome Levinson and Juan de Onís, *The Alliance that Lost its Way: A Critical Report on the Alliance for Progress.* (Chicago: Quadrangle Books, 1970), 5-6.

government contained in the Alliance Charter, the Kennedy Administration recognized six military regimes throughout the region.[2] During his relatively short tenure, President Kennedy confronted a number of challenges to U.S. hegemony from the nations of Latin America.[3] The refusal of the governments of Ecuador, along with five of its neighbors, to heed Washington's request and break formal relations with Cuba is of particular interest for this present study. At the Eighth Meeting of the Ministers of Foreign Affairs, held in 1962 at Punta del Este, Uruguay, Secretary of State Dean Rusk was unable to convince representatives of these six countries that Castro's ties to international Communism represented enough of a threat to warrant the expulsion of Cuba from the OAS. Concerned primarily with the domestic instability that he felt would result if Ecuador sided with the United States, President Carlos Arosemena Monroy refused to play along. Yet a little over a year later, facing unrest at home and external pressure from the United States, President Arosemena did break relations with Cuba, and U.S. hegemony emerged secure.

The roots of the Alliance for Progress lie in the final years of the Eisenhower Administration. President Eisenhower began rethinking Latin American policy as early as 1953 under the guidance of his brother and administration officials who urged the president to address the growing frustrations of Latin American elites. Events in 1958, however, provided the catalyst that sparked real change. That spring, Vice President Richard Nixon embarked on a goodwill tour of South America. In preparation for the trip,

[2] Stephen G. Rabe. *The Most Dangerous Area in the World: John F. Kennedy Confronts Communist Revolution in Latin America*, (Chapel Hill: University of North Carolina Press, 1999), 143.
[3] For an excellent discussion of Kennedy's Latin America policies see, Stephen Rabe's *The Most Dangerous Area in the World.*

Secretary of State John Foster Dulles informed Ambassador Christian Ravndal that officials at the Department of State "confidently" expected Nixon's trip to produce "helpful results not only in popular goodwill but also in improved official attitudes and actions."[4] The vice president was coming to Latin America, in other words, to ensure its peoples that Washington was not ignoring them. In many of the countries that he visited, specifically Venezuela, Peru, and Colombia, angry crowds protesting U.S. policies in the region greeted Nixon and his party. Most offensive to the protestors was the support of Latin American dictators by the Eisenhower Administration.

The reception in Ecuador, however, was actually much more cordial than in the other countries mentioned above. Images of the Vice President heading a soccer ball in Quito and getting a haircut in Guayaquil circulated widely in the United States and in Ecuador.[5] Writing from Washington, Ambassador Chiriboga argued that it was hard to quantify the benefits to Ecuador of the warm welcome that Nixon received there. The U.S. press, according to the ambassador, commented that only in Ecuador was the vice president able to travel freely and to talk with workers and students.[6] The ambassador hoped that the Ecuadorian government could take advantage of this turn of events to secure more financial aid from the United States. Following a decade of battles over issues such as territorial waters, U.S. policymakers sought to reassert U.S. hegemony in

[4] "South American Trip of the Vice President and Mrs. Nixon," 8 April 1958, Central File 1955-59, Box 2104, RG 59, NACP.
[5] "Throwing Out First Ball—The Hard Way", *The New York Times,* 13 May 1958.
[6] Chiriboga to Tobar Zaldumbide, 15 May 1958, Series C, Comunicaciones Recibidas de la Embajada en los Estados Unidos, MREAH.

the region, while the Ecuadorian government attempted to maximize benefits for its people.

Following Nixon's tour, the Eisenhower Administration reevaluated its Latin America policy. In NSC 5902 and 5902/1, the National Security Council suggested a variety of ways that the United States could strengthen its position in the hemisphere. Arguing that the long-term security of the United States depended on harmonious relations with the nations of Latin America, the authors of NSC 5902 pointed out that the attitudes of Latin Americans towards the United States had "deteriorated somewhat from the high point achieved during World War II."[7] During the war, Latin American governments pledged their support in defending hemispheric solidarity in the face of perceived threats from Fascist forces. With the war over and the Cold War underway, however, U.S. officials shifted their focus to containing Communism by rebuilding Western Europe and securing U.S. hegemony in the rest of the Third World. Thirteen years later, the United States seemed to have forgotten the wartime promises made to Latin Americans. Rising anti-Americanism in the region was one result of these events. Yet despite misperceptions in the region regarding U.S. policy, the NSC authors remained optimistic. Arguing that "the situation in Latin America is more favorable to attainment of U.S. objectives than in other major underdeveloped areas," the report outlined ways in which the United States could increase its influence in the region.

[7] NSC 5902, 30 January 1962, retrieved 14 December 2003 from the Declassified Document Reference System: www.galenet.com.

Foreshadowing the self-help policies of the Alliance, the National Security Council suggested that Washington "associate U.S. policies with the legitimate aspirations of the Latin American peoples and states, and seek to assure that they contribute, insofar as possible, to better Latin American attitudes toward the United States." Crucial to this effort was the creation of a "spirit of partnership and equality among the American Republics."[8] Educational exchange programs were an integral part of this process, and thus in chapter eight we will explore the Fulbright program, which policymakers extended to Latin America during these years. Ultimately, NSC 5902 and 5902/1 marked a shift in focus by the Eisenhower Administration. Policymakers now appeared to be taking seriously the problem of underdevelopment in Latin America. This new focus did not, however, translate into a vast reconstruction of policy action. Eisenhower remained convinced that private investment and the suppression of radicalism were still the most effective agents for reform in Latin America.[9]

With the victory of Fidel Castro in January 1959, officials in the United States, as well as U.S. ambassadors stationed throughout Latin America, became even more concerned with the influence of Communism in the hemisphere than they had been previously. Relations between Ecuador and the United States have generally been strong, and writing from Quito in late 1959, Ambassador Ravndal suggested that, based on the past ten years, "Ecuador shows considerable promise of becoming a showcase of

[8] NSC 5902, 30 January 1962.
[9] Stephen G. Rabe. *Eisenhower and Latin America: The Foreign Policy of Anticommunism* (Chapel Hill: University of North Carolina Press, 1988), 114.

democracy in action among the Latin countries of the hemisphere."[10] During that time, two presidents—Galo Plaza and Velasco Ibarra—had finished their constitutional terms, and a third, Camilo Ponce Enriquez, was on track to do the same. Camilo Ponce, the first Conservative president of Ecuador in over sixty years, continued this political stability. Ravndal predicted a "continued trend toward political maturity and a rising standard of living" for Ecuador's future. Noting its strategic significance given its proximity to the Panama Canal, the ambassador argued that Ecuador was a "very favorable asset for the United States in the hemisphere." Despite this, the ambassador warned that a Communist threat did exist in Ecuador, and that Communists had made inroads in the educational and labor sectors of the country. Taken together, the strategic value of Ecuador, along with this susceptibility to Communist influence, meant that U.S. policymakers, according to the ambassador, needed to exert "considerable effort" to correct these initial gains.[11]

In Washington, Secretary of State Christian Herter was particularly concerned about reports that President Velasco Ibarra was contemplating a trip to Cuba. Ambassador Chiriboga cautioned Velasco Ibarra—who had recently won the presidency for a fourth time—that such a trip would be "most undesirable."[12] Chiriboga worried that as an "effective orator" Velasco Ibarra would probably impress Cuban crowds, and that he might accept Cuban guidance in addressing Ecuador's needs for social reforms. Foreshadowing events to come, Herter suggested that Deputy Assistant Secretary of State for the Western Hemisphere Lester Mallory take advantage of his time in Ecuador to try

[10] Ravndal to Dulles, 4 December 1959, Central File 1955-59, Box 2465, RG 59, NACP.
[11] Ibid.
[12] Herter to Ravndal, 9 June 1960, Central File 1960-63, Box 1551, RG 59, NACP.

and convince the president to avoid "any possible rapprochement" with Cuba.[13] Herter instructed Mallory to congratulate Velasco Ibarra on his electoral victory and to reiterate to the president that the United States had genuine feelings of friendship towards Ecuador. Mallory was then to discuss with the president the efforts of Castro to export revolution in the hemisphere through "active intervention [by] his agents [in] other Latin American countries."

As sometimes happened, however, U.S. officials in Quito were not as worried as their counterparts in Washington about events in Ecuador. Four days after Herter instructed Mallory to meet with Velasco Ibarra, Ambassador Ravndal wrote to Herter telling him that he was not "overly concerned" about the president visiting Cuba. The president, according to Ravndal, had recently called Castro an "agitator" as well as a "great danger" to Latin America because he sought "every opportunity to agitate and upset constituted Governments [of] South and Central America."[14] Velasco Ibarra had experienced his share of political instability during his first three administrations. His words thus suggested that he agreed with the assessment of U.S. officials that Castro was a destabilizing agent in the hemisphere. Yet officials in Washington rarely trusted Velasco Ibarra, and this mistrust would only deepen as the United States moved to exclude Castro's Cuba from the OAS in their efforts to maintain U.S. hegemony in Latin America.

[13] Herter to Ravndal, 9 June 1960.
[14] Ravndal to Herter, 13 June 1960, Central File 1960-63, Box 1551, RG 59, NACP.

As early as June 1960, the Kennedy Administration began developing its strategy to introduce concerns over Cuba at a future conference of American Foreign Ministers. In a circular sent to U.S. Embassies in the American Republics, Undersecretary of State Douglas Dillon warned that it was "imperative" for the Foreign Ministers to meet to discuss the actions of Castro. The immediate goal of Kennedy and his administration was to prevent a "Castro-Communist" takeover of the Dominican Republic once Rafael Trujillo was no longer in power.[15] Dillon thus argued that the Foreign Ministers should first meet to deal with the Dominican case. Then, representatives at a second meeting could consider the "danger to continental peace and security that is implicit in [the] increasing Cuban identification with [the] Sino-Soviet bloc."[16] Dillon's hoped to generate consensus throughout the hemisphere that Castro's pro-Soviet stance was a "menace to continental peace and security" that threatened to "destroy bonds of inter-American solidarity and the principle through which the American States are seeking to improve their political, economic and social conditions." In their efforts to maintain U.S. hegemony, officials were not about to let Castro's Communist model of reform spread beyond Cuba, or to compete with the U.S. model.

A few days later, Ambassador Ravndal asked Foreign Minister Tobar Donoso whether Ecuador would support an inter-American resolution against Communist intervention in the hemisphere at an upcoming meeting of the foreign ministers. Tobar Donoso replied with a "categorical yes, adding [that] this had been one of [the] keystone

[15] Rabe, *The Most Dangerous Area in the World*, 37.
[16] Department of State Circular, 7 July 1960, Central File 1960-63, Box 580, RG 59, NACP.

policies of [the] Ponce Administration," and he went on to intimate that his government would be willing to introduce such a measure.[17] The foreign minister believed that such a resolution would help to "strengthen" the position of other Latin American governments that seemed to "vacillate" on Cuba. Thus, as they worked to garner the support of governments throughout the hemisphere, Dillon and others within the Kennedy Administration seemed to have secured the consent of the Ecuadorian foreign minister. Soon, however, the position of the government of Ecuador began to shift.

Ambassador Chiriboga now indicated that his government considered the Cuba problem to be primarily a bilateral issue between the United States and Castro.[18] Drawing on their own experiences with unilateral intervention (particularly in connection with the border dispute with Peru), Ecuadorian officials were concerned that any move by the United States or the OAS against Castro could be interpreted as unwarranted interference in the domestic affairs of Cuba.[19] Protecting against such intervention was a hallmark of the inter-American system, and thus the Ecuadorian government, according to Chiriboga, would push for conciliation between the United States and Cuba. This was not what Secretary of State Herter wanted to hear, and he instructed Ravndal to "urge" Tobar Donoso and Velasco Ibarra to "maintain and not weaken [their] unequivocal and realistic position" regarding the threat of Soviet intervention.[20] The Kennedy Administration tried

[17] Ravndal to Herter, 14 July 1960, Central File 1960-63, Box 580, RG 59, NACP.
[18] Memorandum of Conversation, 26 July 1960, Central File 1960-63, Box 580, RG 59, NACP.
[19] Chiriboga to Tobar Zaldumbide, 9 August 1960, Series C, Comunicaciones Recibidas de la Embajada en los Estados Unidos, MREAH.
[20] Herter to Ravndal, 28 July 1960, Central File 1960-63, Box 580, RG 59, NACP.

to present the Cuba case as one that affected the security of the entire hemisphere, not just the United States, and as one that posed a threat to U.S. hegemony in the region.

In August 1960, Velasco Ibarra became the thirty-eighth President of Ecuador. Following a "lengthy" discussion with the new president, Ambassador Chiriboga reported to Ravndal that Velasco Ibarra was certain that the meeting of the Foreign Ministers would generate a "strong unified stand against Soviet intrusion in American affairs." The president was uncertain, however, about what could be done concerning Castro specifically since the Cuban revolutionary had "gained much support" from elsewhere in Latin America.[21] Yet according to Ravndal, Chiriboga himself agreed that "drying-up this support" was one of the first tasks confronting the OAS.

A week later, Christian Herter outlined the position that the United States would take at the upcoming sixth and seventh meetings of the Foreign Ministers to be held in San Jose, Costa Rica.[22] First and foremost, Herter insisted that the problem with Cuba was not simply a matter of U.S.-Cuban relations. He acknowledged that there was a bilateral component to the issue, but the secretary argued that, until the OAS could eliminate the international communist influences on Castro, officials could not address the U.S.-Cuban elements of the problem. For its part, the Velasco Ibarra Administration seemed to agree with Herter that the bilateral aspects of the Cuban question were somewhat distinct from the threat to inter-American security.[23]

[21] Ravndal to Herter, 2 August 1960, Central File 1960-63, Box 581, RG 59, NACP.
[22] Herter to Ravndal, 8 August 1960, Central File 1960-63, Box 581, RG 59, NACP.
[23] Little to Herter, 18 August 1960, Central File 1960-63, Box 581, RG 59, NACP.

Since the government of Ecuador continued to promote the goal of conciliation between the United States and Cuba. Sub-Secretary Neftali Ponce Miranda from the Foreign Ministry proposed, therefore, the establishment of a "committee of conciliation" at the San Jose conference. This committee would work to "bridge [the] gap" between the United States and Cuba without dealing with the issue of the threat posed to the hemisphere by external Communism.[24] This position continued to frustrate Herter, who, writing from San Jose, argued that it was essential to "take all possible appropriate steps to induce additional delegations to view [the] situation realistically and [to] support clear condemnation of Soviet intervention and call on Cuba to conform to OAS principles."[25] The Ecuadorian proposal of conciliation was, according to the secretary, an "easy way out" for Castro's government since they would not be forced to address their collaboration with the Soviet Union and China. Herter thus urged Ravndal to meet with Velasco Ibarra or Ambassador Chiriboga and emphasize the "serious blow" that would have "grave repercussions on all fields of future OAS cooperation" which would occur if the OAS did not take a "forthright position based on [a] realistic recognition" of the Cuban problem.[26]

Ultimately, the Kennedy Administration hoped to convince the Latin American representatives gathered at San Jose that the United States considered the question of whether or not Castro remained in power to be one that the Cuban people needed to decide. To help them make up their minds, however, Herter argued that the members of

[24] Little to Herter, 18 August 1960.
[25] Herter to Department of State, 26 August 1960, Central File 1960-63, Box 582, RG 59, NACP.
[26] Ibid.

the OAS should make clear to Cubans that "collaboration with Communist powers is [a] cause of serious concern to OAS members not only from [the] standpoint of their security but also of [the] achievement of [the] true aims of Latin American peoples."[27] In particular, Herter wanted Cubans, and all Latin Americans, to understand that collaborating with Communists would jeopardize "their efforts [to] achieve economic, [and] social progress within democratic principles on [the] basis of nonintervention."

This language of progress through nonintervention was a hallmark of U.S. foreign policy in Latin America throughout the period under study here. Following Castro's 1959 victory, this rhetoric reached new levels as the Kennedy Administration attempted to convince the governments of Latin America of the serious threat posed to all American republics that they saw in Castro's allegiance with international Communism. Throughout its tenure, the Kennedy Administration seemed convinced that the peoples of Latin America underestimated the dangers of Communism, and that only by convincing them otherwise could U.S. hegemony be maintained in the face of the Communist menace.

At the San Jose Conference, a delegation of seven countries—Ecuador, Bolivia, Honduras, Mexico, Panama, Peru and Venezuela—introduced a resolution "exhorting Cuba to maintain its confidence in [the] OAS." To Secretary of State Herter, this resolution marked a "low-water mark" in what he saw as a tendency of Latin American governments to view the Cuban Revolution as an understandable response to rising demands for social reforms, and ultimately, a "refusal" of these governments to face up to

[27] Herter to Little, 8 August 1960, Central File 1960-63, Box 581, RG 59, NACP.

the "utilization [of the] Cuban revolution by [the] Sino-Soviet bloc."[28] In the struggle to maintain U.S. hegemony, such tendencies would not go unchecked. The United States thus introduced its own resolution condemning the efforts of the "Sino-Soviet powers" to "extend their political influence over sovereign American States by political and economic subversion, exploiting for their alien purposes the efforts and desires of the peoples of America to achieve higher economic and cultural standards of living."[29] Washington called on Castro to "repudiate" all ties with the Soviets and with China.

The seventh meeting of the foreign ministers in San Jose set the stage for a final showdown between the United States and Cuba. Herter argued that the resolution to strengthen inter-American solidarity in the face of threats from international Communism agreed to by the delegates at San Jose represented a "resounding denunciation of Communist intervention [in] this hemisphere, and of Sino-Soviet efforts [to] exploit LA revolutions."[30] Still, he noted continued evidence at the conference of an "undercurrent of sympathy for [the] aspirations of [the] Cuban revolution." Policymakers designed the Alliance for Progress to counter such sympathies by pledging the U.S. government to participate actively in addressing the problems of Latin America. Historically such pledges did not always work. Truman's Point Four program, which targeted similar problems, for example, never got off the ground. Soon the failure of Alliance dollars to reach their destinations would cause problems as coups erupted throughout Latin America.

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[28] Herter to Department of State, 26 August 1960, Central File 1960-63, Box 581, RG 59, NACP.
[29] Ibid.
[30] Herter to Little, 1 September 1960, Central File 1960-63, Box 582, RG 59, NACP.

On 7 November 1961, the Ecuadorian military ousted Velasco Ibarra. This marked the end of a thirteen-year period of relative stability in the country.[31] The immediate reaction in Washington was one of concern. Two days after the coup, George McGhee from the Department of State sent a memo to the Assistant Secretary of State for Inter-American Affairs Robert F. Woodward. McGhee warned that events in Ecuador represented the first "old-style Latin American revolution since the Alliance for Progress and Punta del Este," and he saw in Ecuador a possible "precursor" to similar revolutions in the region. [32] *New York Times* reporter Tad Szulc agreed with McGhee, arguing that Ecuador was an important test case of the Alliance for Progress. Szulc warned that events in Ecuador "illustrate[d] the political dangers of the efforts by Latin American Governments to bolster their economies through tough 'self-help' measures."[33] He argued that consumer taxes imposed by Velasco Ibarra were actually an attempt to follow the "self-help" recommendations of the International Monetary Fund.

A State Department report titled "Alliance for Progress Goals Linked with Presidential Upsets" echoed the views of McGhee and Szulc. Analyzing the situation in Ecuador, the authors pointed out that Velasco Ibarra began losing support of conservative politicians soon after taking office because the president increased tax enforcement, allowed the free exchange rate to rise, which made capital flight more expensive, and

[31] Peter Pyne. "The Politics of Instability in Ecuador: The Overthrow of the President, 1961," *Journal of Latin American Studies*, (Vol. 7:1, May, 1975), 109-133.
[32] McGhee to Woodward, 17 November 1961, *Foreign Relations of the United States (FRUS): American Republics; Cuba 1961-1962; Cuban Missile Crisis and Aftermath, Microfiche Supplement, 1961-1963*.
[33] Tad Szulc. "Revolt Points up Economic Issues," *The New York Times*, 8 November 1961.

talked about land and tax reform.[34] Added to this, Velasco Ibarra had followed a leftist international policy, while also trying to gain "nationalistic cohesion" on the Peru boundary dispute. Ecuadorian military officers resisted these policy reforms, and they pushed the president to adopt a "more pro-U.S." foreign policy. Added to this, the increased sales tax upset the left who, together with the right, began to attack the Velasco Ibarra Administration.[35] For Szulc, McGhee, and officials at the Department of State, then, the military actions in Ecuador were a direct response to the policy recommendations of the Alliance that were ostensibly designed to create gradual change, not instability. This tendency for the Alliance to bring chaos in its wake was repeated again and again throughout Latin America. Ecuador thus emerged as an early test case of the Alliance for Progress by forcing officials in Washington to weigh their options in reacting to the military coup against Velasco Ibarra.

On 15 November 1961, Maurice Bernbaum, the U.S. Ambassador to Quito, sent a telegram to Washington concerning the upcoming trip of Ecuador's Special Ambassador, Galo Plaza Lasso. Galo Plaza was carrying a personal message from the new president of Ecuador, Carlos Julio Arosemena Monroy, for President John F. Kennedy. Congress had recently elected Arosemena, the former Vice President under Velasco Ibarra, president following the military coup against Velasco Ibarra.[36] Washington closely monitored this transition, and the apparent leftist tendencies of Arosemena concerned many officials.

[34] "Alliance for Progress Goals Linked with Presidential Upsets," 17 November 1961, Bureau of Cultural Affairs—Country Files of the Planning and Development Staff, 1955-64, Box 205, RG 59, NACP.
[35] "Alliance for Progress Goals Linked with Presidential Upsets," 17 November 1961.
[36] John Samuel Fitch. *The Military Coup d'Etat as a Political Process: Ecuador, 1948-1966.* (Baltimore: Johns Hopkins University Press, 1977.)

Arosemena's decision to send Galo Plaza to address the concerns of U.S. officials was thus a pragmatic political maneuver designed to win continued support from the United States. According to Bernbaum, Galo Plaza was coming to Washington to "dissipat[e] fears of Communist orientation created by U.S. press comment[s]."[37] Headlines announcing the coup in the *New York Times* reported that "Ecuador Leftist Gains Presidency," suggesting that Arosemena was a "New Force in Quito" who was willing to "Ask Aid From Any Source."[38] Reporters for *Newsweek, Time, The New Republic*, and *U.S. News and World Report* also focused on the political leanings of Arosemena, while expanding their analysis to other, more personal characteristics. Writers described the new president as a "strong-willed, taciturn introvert" and as a man "with a weakness for liquor."[39] This unflattering portrayal of President Arosemena worried Galo Plaza and other Ecuadorians who hoped to receive increased aid under Kennedy's Alliance for Progress.

As Galo Plaza worked to convince Kennedy that the Arosemena Administration supported the United States, preparations for the Punta del Este conference had already begun. In December 1961, the U.S. ambassador to Ecuador, Maurice Bernbaum, informed Secretary of State Rusk that Ecuador had yet to name a delegation to the

[37] Bernbaum to Rusk, 14 November 1961, National Security File: Country File (NSFCO): Ecuador, Box 68, General, 1/61-3/62, folder, John F. Kennedy Library (JFKL).
[38] *New York Times*, "Ecuadorian Leftist Gains Presidency After Air Attack," 9 November 1961; "New Force in Quito, Carlos Julio Arosemena," 10 November 1961; "Ecuador Asks Aid From Any Source," 11 November 1961.
[39] "Upheaval in Ecuador," *The New Republic* (20 November 1961); "When a Latin-American Country Tries to Reform," *U.S. News & World Report* (20 November 1961).

conference.[40] To Bernbaum, it was clear that the Arosemena Administration had given "little serious thought to [its] substantive position" at the conference. The ambassador believed that Arosemena would "obviously [just] as soon have [the] meeting forgotten as a bad dream, and is reluctant [to] face [the] issue at this point." This reluctance, according to Bernbaum, was due to domestic tensions within Ecuador. Foreign Minister Francisco Acosta Yépez had informed Bernbaum that Arosemena hoped that the Punta del Este conference could be postponed for the "maximum possible" amount of time in order to "permit non-Communist elements [to] make preparations for Congressional elections" in June.[41] Acosta Yépez went on to say that "Communists and supporting groups" in Ecuador held an advantage through their "superior organization," and that they could therefore "impede meaningful action by Ecuador" at the conference.[42] As we will see, domestic concerns continued to influence the Ecuadorian position throughout the conference by limiting the ability of Ecuadorian policymakers to support the United States.

One week after a Cuban delegation arrived in Ecuador to refute public accusations by Arosemena that Cubans living in Ecuador were interfering in Ecuadorian domestic affairs, the newly appointed Ecuadorian Ambassador to the United States, Dr. Neftali Ponce Miranda, met with Kennedy to finalize his appointment.[43] During the meeting, Kennedy raised the issue of the upcoming meeting of the Organization of American States in Punta del Este, Uruguay. Officials from the United States wanted member

[40] Bernbaum to Rusk, 22 December 1961, Central File 1960-63, Box 582, RG 59, NACP.
[41] Bernbaum to Rusk, 23 December 1961, Central File 1960-63, Box 582, RG 59, NACP.
[42] Ibid.
[43] Philip Agee. *Inside the Company: CIA Diary*, (London: Penguin Books, 1975), 217.

nations to agree to impose economic sanctions against Cuba, and to exclude the country from the OAS. With this in mind, Kennedy stated that he desired "the strongest possible resolutions and at the same time hoped for the greatest possible degree of unanimity."[44] Accordingly, the president questioned Ponce about the degree of support the United States could expect from Arosemena, whose reputation as a leftist concerned some in Washington. Ponce replied that the domestic political situation in Ecuador "made it difficult for his Government to espouse openly the position which it would like to support." Concerned that publicly championing the U.S. proposal would spark strong reaction from pro-Castro elements within Ecuadorian society, Ponce urged U.S. officials to "not take this to mean that Ecuador supported Cuba." [45] Convincing Kennedy and others in the administration of this proved difficult.

As the president and the ambassador were meeting, a number of influential Ecuadorian elites, including Benjamin Carrion, were in Cuba to attend a conference of Latin American representatives called by Castro to coincide with the Punta del Este Conference.[46] The goal of the Cuba conference was to reaffirm the right to self-determination of all American Republics at precisely the same time that the Kennedy Administration was pushing for the expulsion of Cuba from the OAS. For his part, Carrion had published an article in *El Mundo*, arguing that the Punta del Este Conference represented a form of colonialism similar to the Monroe Doctrine rationale used to attack

[44] Memo of Conversation, 13 November 1961, *FRUS: American Republics, Microfiche Supplement*, 1961-1963.
[45] Ibid.
[46] Vela to Acosta Yépez, 8 January 1962, Series C, Comunicaciones Recibidas de la Embajada del Ecuador en Cuba, MREAH.

Colombia in 1903 in order to complete the Panama Canal.[47] Such articles intensified both the domestic pressures against Arosemena, and the overall challenge to U.S. hegemony from pro-Castro elites in Latin America. Thus, as the U.S. delegation to the upcoming conference prepared to win hemispheric support for their measures against Cuba, the government of Ecuador, claiming domestic instability, remained on the fence.

Faced with this intransigence, officials in the Kennedy Administration continued their multilateral approach. In keeping with the overall theme of cooperation contained in the Alliance charter, Kennedy was "calling upon U.S. people and Congress for greater support of [the] OAS than has any [other] President."[48] While the delegates met at Punta del Este, Kennedy sent a letter to Arosemena, encouraging the president to support U.S. sanctions, and reminding him of the "intense preoccupation of the people and Congress of the United States with the Cuban problem."[49] For his part, Arosemena had chosen a team of generally pro-U.S. Ecuadorians to represent his government at the conference, appointing Foreign Minister Acosta Yépez, whom Bernbaum described as both anti-Communist and anti-Castro, as the head. In addition to Acosta Yépez, Jose Ricardo Martinez, the Ecuadorian Ambassador to Uruguay who had "a history of cooperation with U.S. officials," Rodrigo Jacome Moscoso, a "prominent liberal" who was "very religious and a strong anti-Communist," and Lucindo Almeida Teran, who was pro-U.S. and anti-Communist, represented Ecuador. Bernbaum described two of the remaining delegates—Gonzalo Escudero Moscoso, and Leopoldo Benitez Viñueza—as left-leaning

[47] Vela to Acosta Yépez, 11 January 1962, Series C, Comunicaciones Recibidas de la Embajada del Ecuador en Cuba, MREAH.
[48] Rusk to Deparment of State, 23 January 1962, *FRUS*, 1961-1963 XII: 297.
[49] Rusk to Deparment of State, 24 January 1962, *FRUS*, 1961-1963 XII: 298..

politically, but neither was said to be a communist.[50] As with his decision to send Galo Plaza to the United States as his personal representative, President Arosemena worked to allay fears in Washington through his selection of these delegates.

Foreign Ministry staff instructed the Ecuadorian delegates to adhere to four principles in their negotiations at Punta del Este: non-intervention; self-determination; representative democracy; and respect for human rights.[51] While similar to the principles promoted by the United States in its relations with the nations of Latin America, U.S. actions did not always match the rhetoric. In a series of meetings between Rusk and the Ecuadorian delegation, the Secretary of State explained that Kennedy sought "massive support from the OAS, additional legislation that would benefit Ecuador and a commodity price stabilization program."[52] The goal was to convince delegates that the Alliance for Progress rather than Castroism was the best solution to the social and economic problems of Latin America. Rusk argued that there was near unanimous agreement on this point, as well as on the incompatibility of communism with full membership in the OAS. In response, Acosta Yépez "emphatically stated" that the government of Ecuador wanted to maintain the unity of the inter-American system. He argued that international communism was the biggest threat to this system, and that the surest antidotes to this threat were economic and social progress.[53] When asked if Ecuador would support the suspension of Cuba from the OAS, the foreign minister said that there was no provision in the OAS Charter allowing for the expulsion of a state.

[50] Bernbaum to Rusk, 12 January 1962, Central File 1960-63, Box 583, RG 59, NACP.
[51] Bernbaum to Rusk, 18 January 1962, Central File 1960-63, Box 583, RG 59, NACP.
[52] Memorandum of Conversation, 22 January 1962, Central File 1960-63, Box 583, RG 59, NACP.
[53] Ibid.

Nonetheless, Acosta Yépez acknowledged that there was a need to "neutralize" Castro's government; a government that was, in his words "incompatible with the democratic institutions" of the OAS. Diplomatic or economic sanctions against Cuba, according to the Foreign Minister, would only make the situation worse by increasing the suffering of Cubans. This would in turn strengthen Castro's hand since "in times of crisis, the people tended to back their leader when attacked from abroad."[54] Rusk attempted to blunt the issue of intervention by emphasizing the multilateral approach of the Kennedy Administration, insisting that Kennedy was utilizing the OAS in this matter to a greater degree than had any previous president. In an effort to pressure those who were on the fence concerning sanctions and the suspension of Cuba, Rusk intimated that the failure of the multilateral approach taken by the United States at Punta del Este might push the U.S. government to "revert to unilateral action and [the] law of [the] jungle in [the] hemisphere."[55]

To address the hesitation of Ecuador, Rusk suggested that President Kennedy send a personal message to President Arosemena informing him that, according to the latest information from the conference, "the governments of the hemisphere are moving rapidly toward agreement on what the Conference of Foreign Ministers should do with regard to the Cuban question."[56] After outlining the details of the plan—excluding Cuba from various organs of the OAS, imposing economic sanctions against Castro's government, and suspending all trade in arms with Cuba—officials advised Kennedy to

[54] Memorandum of Conversation, 22 January 1962.
[55] Rusk to Department of State, 23 January 1962, Central File 1960-63, Box 583, RG 59, NACP.
[56] Rusk to Department of State, 24 January 1962, Cetnral File 1960-63, Box 1551, RG 59, NACP.

close by saying, "I am confident that you would not want Ecuador to be isolated from the large majority of the OAS who are concerned to deal with this threat to the hemisphere."

In response to this pressure from Kennedy, Arosemena informed Ambassador Bernbaum that denying Cuban participation in any part of the inter-American system would require changes to the OAS charter. The president also reinforced his earlier stance that economic sanctions would be "useless, unnecessary, and even counterproductive." He closed by saying that Ecuadorian support for "strong measures against Castro" would result in a civil war in Ecuador, a war that pro-Castro elements would have a "good chance" of winning.[57] Bernbaum reported that during their meeting, Arosemena had been "clearly and apparently sincerely" concerned over the possibility of civil war. The ambassador claimed that rightist parties in Ecuador were "so concerned over Arosemena's softness" on Castro that they were considering a coup—a position that Bernbaum said seemed to be supported by "many of the higher ranking officials of the Armed Services."[58]

Both Arosemena and Bernbaum cited widespread unemployment as a critical factor in this instability, and the ambassador thus suggested that Washington accelerate the consideration of pending loan applications for Ecuador. Evidence of such actions, according to Bernbaum, might go a long way in strengthening Arosemena's position against the left, and "produce cooperation rather than plots for the Government's overthrow by the right."[59] In closing, Bernbaum emphasized his belief in the sincerity of

[57] Bernbaum to Rusk, 25 January 1962, Central File 1960-63, Box 583, RG 59, NACP.
[58] Bernbaum to Rusk, 26 January 1962, Central File 1960-63, Box 1551, RG 59, NACP.
[59] Ibid.

the Arosemena Administration, and that positive action on U.S. loans to Ecuador through the Alliance for Progress would help secure Arosemena's support for the U.S. position at Punta del Este.

Despite these pressures from Washington, six nations ultimately refused to support U.S. sanctions against Cuba—Mexico, Brazil, Argentina, Chile, Bolivia, and Ecuador. Delegates from the so-called "soft six" also abstained from voting on the expulsion of Cuba from the OAS. In an attempt to downplay this blow to U.S. hegemony in the region, Rusk suggested that the general theme at the upcoming press conference in Washington should emphasize the "remarkable movement in [the] hemisphere in [the] past several months in recognizing [the] dangers of Communist penetration."[60] Unfortunately for Arosemena, the domestic pressure mobilized against him due to his refusal to take a stand against Cuba was not as easy to downplay. In the immediate aftermath of Ecuador's abstention, The Social Christian Party withdrew its support of the president, and forced the resignation of Foreign Minister Acosta Yépez.[61] Arosemena faced attacks from both the right—who were "extremely critical" of abstentions—and the left—who argued that the OAS was an instrument of U.S. imperialism.

An embattled Arosemena defiantly explained his position at Punta del Este to Ambassador Bernbaum. The president insisted that he "definitely was not going to sell Ecuador's sovereignty for money, regardless of how much Ecuador needed the money."[62] He emphasized that Ecuador would "solve its own problems," but that it would "very

[60] Rusk to Department of State, 31 January 1962, *FRUS*, 1961-1963 XII: 307.
[61] Bernbaum to Rusk, 2 February 1962, Central File 1960-63, Box 583, RG 59, NACP.
[62] Earl H. Lubensky to Rusk, 9 February 1962, Central File 1960-63, Box 1551, RG 59, NACP.

definitely" not go over to the "other side" if it failed to obtain what it needed from the United States.[63] Efforts to secure loans for Ecuador in exchange for Arosemena's support had clearly failed. While these more overt attempts to win Ecuadorian support proved unsuccessful, covert operations by the CIA seemed to be succeeding.

Less than two months after his inauguration, U.S. pressure to break with Cuba had evidently ended Arosemena's political honeymoon.[64] As both the left and the right mobilized against him, CIA activities in Ecuador intensified. In his published memoirs, former CIA operations officer in Quito, Philip Agee, described in detail his operations in Ecuador. In addition to planting pro-U.S. articles in the local press, Agee increased the number of direct contacts between CIA-funded Ecuadorians and Arosemena. One such operative was Colonel Aurelio Naranjo. On 26 March 1962, a U.S. military official, General Bogart, met with Naranjo in Cuenca to inspect the Ecuadorian military groups supplied by the United States.[65] Two days later, the Cuenca military garrison under Naranjo's command sent a telegram to Arosemena giving the president seventy-two hours to break relations with Cuba. According to Agee, this revolt by Naranjo and his men was "clearly a result of the renewed agitation we have been promoting since January through the Conservatives and Social Christians." [66] A series of demonstrations in Quito and Guayaquil fueled Naranjo's ultimatum, as did local press coverage planted by the

[63] Lubensky to Rusk, 9 February 1962.
[64] Fitch, 56.
[65] Memorandum of Conversation between Carlos Julio Arosemena Monroy and Maurice Bernbaum, 31 March 1962, NSFCO: Ecuador, Box 68, General, 1/61-3/62, folder, JFKL.
[66] Agee, 226.

CIA. Both the demonstrators and the newspaper reports favored a split with Cuba.[67] Thus, faced with pressure from political groups, the military, the national press, and the U.S. government, Arosemena officially broke relations with Cuba on 3 April 1963. Writing from Quito, Bernbaum suggested that this "favorable turn of events" led him to recommend that a "prompt announcement" of a technical loan for Ecuador might strengthen Arosemena's position "in dealing with [the] Cuban issue and controlling internal disorders which are likely to result."[68] Ultimately, however, this marked the beginning of the end for Arosemena's tenure. As his political power waned, U.S. ties with the Ecuadorian military suggested to some officers that Washington would support a military coup against Arosemena.[69] With U.S. hegemony ultimately reaffirmed by the decision of the governments of Latin America to break relations with Castro's Cuba, despite the delays, the Kennedy Administration now faced another round of military coups in the region. The response of policymakers reflected the anti-Communist underpinnings of this particular moment in the U.S. Empire.

On 11 July 1963, the Ecuadorian military ousted Arosemena. The military had originally planned the coup in September, but officers had postponed the uprising until President Arosemena's behavior on the evening of July 10 provoked the military. Speaking at a banquet in honor of Admiral Wilfred McNeil, the president of Grace Line Shipping Company, a visibly drunk Arosemena openly criticized the United States.[70] His

[67] Fitch, 57, also Agee.
[68] Bernbaum to Rusk, 2 April 1962, Central File 1960-63, Microfilm, RG 59, NACP.
[69] Fitch, 60.
[70] Martin C. Needler, *Anatomy of a Coup d'Etat: Ecuador 1963,* (Washington, D.C.: Institute for the Comparative Study of Political Systems, 1964).

comments that he "liked [the] American public but that [the] American [Government] was exploiting Ecuador and Latin America" shocked the official guests at the banquet.[71] Domestic concerns were also involved in the military's decision to overthrow Arosemena. The perception of Communist subversion, heightened by stories in the local press that the CIA had covertly planted, and the rumored return of the populist Velasco Ibarra for the upcoming 1964 elections, both influenced the coup.[72] As in the earlier coup that had brought Arosemena to power, the Ecuadorian military had once again tested Washington's allegiance to the rhetoric of the Alliance. How would the Kennedy Administration respond?

Arosemena had been losing favor in the United States since the Punta del Este conference. Added to this, those Ecuadorians involved in the coup had connection, either direct or indirect, with the United States. The leader, Colonel Marcos Gándara Enríquez, and his two most influential supporters, Colonel Aurelio Naranjo and Luis Augustín Bowen, were all CIA collaborators.[73] Naranjo had earlier convinced Arosemena to break ties with Cuba. He had thus already proven his loyalty to the United States (Bernbaum described the Colonel as a "firm friend of the United States and a violent anti-Communist.")[74] Gándara and Mora Bowen were perhaps even more influential within Ecuador since both were Senators. In addition, the three members of the Ecuadorian Joint

[71] Bernbaum to Rusk, 11 July 1963, NSFCO: Ecuador, Box 68, General, 1/61-3/62, folder, JFKL.
[72] Needler, 2.
[73] Agee, 300.
[74] Bernbaum to Rusk, 14 July 1963, NSFCO: Ecuador, Box 68, General, 1/61-3/62, folder, JFKL.

Chiefs of Staff had received training either in the United States, or in U.S. installations in Panama.[75]

Washington closely monitored the situation in Ecuador. With a favorable response from the Ecuadorian public, the military leaders began to establish their government.[76] Combining civilian and military appointees, General Gándara tried to "maintain the most cordial relations with the United States." Crucial to this effort was his reliance on Galo Plaza in choosing the members of the cabinet.[77] With the junta established, the military continued its efforts to win U.S. support. Two of its first acts were to outlaw the Communist Party of Ecuador, and to arrest many leftists.

Only three days after the coup, the CIA reported that "the junta has met the normal requirements for recognition and has promised a return to elective constitutional government as soon as possible."[78] Three days later on July 18, officials in Washington appeared ready to recognize the junta, waiting only for a public statement "indicating [their] intention [to] return to civilian government via constitutional procedures within approximately one year," and the extension of recognition from "at least several" Latin American nations.[79] With these final expectations satisfied, Secretary of State Dean Rusk sent a telegram to Ambassador Bernbaum on 26 July 1963 announcing Washington's decision to extend recognition to the military junta on 31 July 1963.[80] It had taken twenty

[75] Needler, 22-23.
[76] Needler, 29.
[77] Bernbaum to Rusk, 14 July 1963.
[78] Central Intelligence Agency, OCI 2291/63, 15 July 1963, retrieved on 25 October 2003 from CIA FOIA.
[79] Department of State telegram, 18 July 1963, NSFCO: Ecuador, Box 68, General, 1/61-3/62, folder, JFKL.
[80] Rusk to Bernbaum, 26 July 1963, NSFCO: Ecuador, Box 68, General, 1/61-3/62, folder, JFKL.

days for the Kennedy Administration to recognize the junta, though they were largely prepared to do so as early as July 18.

Delays by the Arosemena Administration and other Latin American governments at Punta del Este tested U.S. hegemony in Latin America during this phase of the Cold War. By proposing mediation and initially refusing to exclude Castro from the OAS, Arosemena continued his government's tradition of championing the right of non-intervention. Arosemena also sought to buy himself time as political instability in Ecuador deepened. Ultimately, however, he failed. Aware of the domestic situation facing the president, the Kennedy Administration nonetheless took a hard line in pushing for hemispheric consensus concerning the dangers of Castro and international Communism. In the end, this position succeeded, and policymakers pushed aside the rhetoric of cooperation and support for democracy contained in the Alliance Charter in favor of maintaining firm support for U.S. hegemony in Latin America.

8. Student Challenges and the Fulbright Program

By 1957, officials in the State Department had expanded the Latin American exchange programs pioneered under the Buenos Aires Convention of 1936 to the rest of the Third World. In 1957, policymakers established leaders and specialist programs in the Middle East and Africa, and by 1958, the number of grants servicing countries outside of Latin America had risen dramatically.[1] In the Leader and Specialist program for 1958, for example, 168 American specialists received grants, with fifty-five of those assigned to Europe, forty-one to the Near East and Africa, thirty-one to the Far East, and forty-one to the American Republics. In addition, the program brought 279 foreign specialists to the United States with the support of P.L. 584 and 402 funds during this same period with. Sixty-nine of these specialists came from the Near East and South Asia, thirty-nine from Africa, seventy-one from the Far East, forty-seven from Europe and fifty-three from the American Republics.[2] From 1948 to 1957, then officials in the United States worked to secure U.S. hegemony in third-world nations outside of the Western Hemisphere.

As we saw in the previous chapter, however, the year 1958 was a turning point in U.S.-Latin American relations. A rising tide of anti-Americanism throughout the region threatened to undermine hemispheric solidarity at precisely the same time that the Soviet Union seemed to be growing in influence and strength. Following Richard Nixon's tour of South America that year, this revitalized interest in Latin America of the Eisenhower

[1] "Minutes of Meeting: Committee on Leaders and Specialists," 1 July 1957, Bureau of Cultural Affairs—Records of the Chief of the Leaders and Specialist Division (LSD)—Office of Cultural Exchange, 1950-62, Lot File 63D381, Box 3, RG 59, NACP.
[2] "International Educational Exchange Service: Annual Reports of Division and Staff Offices, July 1, 1957-June 30, 1958," Records Relating to Leaders and Specialist Program, 1950-65, Lot File 65D372, Box 106, RG 59, NACP.

Administration resulted in a $2 million increase in the Foreign Leader Program budget for 1959.[3] The violent reception Nixon received from university students in Peru, Uruguay, and Venezuela prompted a renewed emphasis on universities and students under the newly expanded exchange programs. One of the main goals for the programs was to make a "more vigorous political impact" on the university campuses, and in the secondary schools throughout Latin America through a "multi-pronged attack" on one central problem, "the unfavorable attitudes toward the United States that exist[ed] on many Latin American university campuses."[4]

In explaining the situation, officials in Washington argued that Latin American universities were highly autonomous and influential political actors, and that the "anti-U.S." sentiments of their students served as a "major stumbling block to the realization of United States objectives." Policymakers believed that much of these negative attitudes came from "inadequate or incorrect knowledge" of the peoples, policies, and ideals of the United States. They argued that "poorly informed or mis-informed campus leaders [who] unknowingly mislead," and "professional anti-U.S. campus leaders [who] purposefully mislead" made the situation worse.[5] A series of student seminars under the program would presumably increase the number of student leaders on Latin American campuses who were "politically inclined and sufficiently well informed to champion friendly relations between their countries and the United States." At the same time, the program

[3] "Special $2,000,000 Supplementary Educational Exchange Program for Latin America," 3 October 1958, Bureau of Cultural Affairs—Country Files of the Planning and Development Staff, 1955-64, Lot File 66D499, Box 205, RG 59, NACP.
[4] "Special $2,000,000 Supplementary Educational Exchange Program for Latin America," 3 October 1958.
[5] Ibid.

would send "carefully selected" groups of U.S. students who were "capable of influencing their Latin American student associates toward friendly relations between their countries and the United States" to Latin America. Officials hoped also to place on Latin American campuses "highly qualified" U.S. professors who could "accurately interpret the United States to their faculty colleagues and to their students." Finally, the program would offer training in "educational principles and practices" from U.S. educators to teachers, or "mind-molders," from Latin American secondary schools. Through a "concentrated approach aimed at student bodies, faculty members, and the university preparatory schools," officials thus hoped to make progress in "improving the understanding of and appreciation for" the United States on Latin American campuses.[6]

From 1958 to 1963, officials in Washington continued to fine tune the educational exchange programs between the United States and the nations of the Third World. The Fulbright Program, established in 1948 with the passage of the Fulbright Act, built on the models of educational exchange programs first developed under the Buenos Aires Convention of 1936 that we have studied here. With the Second World War over, and the Cold War in its infancy, U.S. elites led by Senator William J. Fulbright wanted to create a program that would promote international peace on a grander scale than had earlier exchange efforts. Fulbright and his team accomplished this by finalizing bilateral agreements with foreign governments whereby foreign currencies used to purchase surplus matériel used to finance the exchanges.[7]

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[6] "Special $2,000,000 Supplementary Educational Exchange Program for Latin America," 3 October 1958.
[7] Walter Johnson and Franics J. Colligan, *The Fulbright Program: A History* (Chicago: The University of Chicago Press, 1965), 3.

Initially Senator Fulbright and the other architects of the program focused on the nations of Western and Eastern Europe, Asia, and Africa. Policymakers considered each of these regions to be vital in the battle against Communism.[8] Earlier, in 1953, the Eisenhower Administration had begun to heed calls from Latin American elites to rethink their geographic focus. As part of this shift, in 1955 the governments of the United States and Chile signed the first Fulbright Agreement with a Latin American nation. Agreements with Colombia, Peru, Brazil, Argentina, Ecuador, Uruguay, and Paraguay quickly followed. Under the Alliance for Progress, Congress expanded the Fulbright Program again with the passage of the Fulbright-Hays Act in 1961.[9] From 1958 to 1963, officials in Washington worked to secure and maintain U.S. hegemony in the Third World. The Fulbright Program was a critical part of the effort to expand foreign consent to U.S. policies, as rising anti-Americanism seemed to threaten U.S. hegemony in Latin America.

Almost twenty years after the Buenos Aires Conference, negotiations paving the way for a Fulbright Agreement with Ecuador began. In 1955, J. Manuel Espinosa, working for the Bureau of Educational and Cultural Affairs of the Department of State, wrote to PAO Walter Bastian in Quito that finalizing an agreement between Ecuador and the United States would "be of tremendous value to both countries."[10] Espinosa singled out Ecuador from its neighbors in the region as one of the nations "most devoted to the

[8] Johnson and Colligan, 107.
[9] Ibid.
[10] Hoover to Mills, 28 November 1955, Bureau of Public Affairs—International Educational Exchange Service, ARA Country Files, 1951-59, Entry 3021, Box 8, RG 59, NACP.

cause of education and public health advancement," and a country where U.S. technical assistance had already been "notable in meeting these national needs."[11]

Following the first round of negotiations, completed by March 1957, PAO Lawrence Norrie seemed hopeful about the program, arguing that through "proper care and long-range coordinated planning" the Fulbright Program could "contribute greatly to the realization of our country objectives" in Ecuador.[12] Officials finalized and published the agreement in the Official Registry of the Ecuadorian five months after signing it.[13] While back in Washington, the Board of Foreign Scholarships (BFS), which was responsible for approving Fulbright proposals, quickly approved the plan for Ecuador.[14] With that, officials scheduled the arrival of the first Fulbrighter to Ecuador for the fall of 1958.[15]

In the meantime, policymakers concluded Fulbright agreements with the remaining six Latin American nations listed above, as well as with several Asian nations.[16] Up until this point, most of the government-sponsored educational exchange programs with the nations of Latin America focused on bringing Latin American students, teachers and leaders to the United States. Following this trend, for the 1958 to 1959 fiscal year there were only twelve lectureships available for U.S. scholars to teach

[11] Hoover to Mills, 28 November 1955.
[12] Norrie to Dulles, 26 May 1958, Central File 1955-59, Box 2110, RG 59, NACP.
[13] Norrie to Dulles, 27 March 1957, Central File 1955-59, Box 2109, RG 59, NACP.
[14] "Joint Review Analysis of Fulbright Program Proposal," Bureau of Public Affairs—International Educational Exchange Services—Joint Review Conference Files, 1955-57, Entry 3022, Box 2, RG 59, NACP.
[15] Norrie to Dulles, 26 May 1958.
[16] "Semi-Annual Progress Report for the period January 1-June 30, 1957," General Records of the United States Board of Foreign Scholarships, 1956-60, Lot File 66D404, Box 172, RG 59, NACP.

in Latin America under the exchange programs we have been studying.[17] The Fulbright program addressed this imbalance by offering an increasing number of grants to U.S. scholars to lecture in Latin America—approximately fifty grants for the same 1958 to 1959 period.[18] Perhaps because of the comparatively one-sided focus of previous programs, however, officials in charge of recruiting U.S. scholars for the new Fulbright grants had trouble finding a sufficient number of scholars who could lecture in Spanish. With renewed concerns over anti-Americanism in the region, and the belief in the power of educational exchange programs to address this problem, the push now was to find U.S. professors who were fluent in Spanish to participate in the Fulbright Program.

In keeping with the country plans for Ecuador developed by embassy staff over the previous decade, Ecuadorian youths remained the primary target of the Fulbright Program in Ecuador.[19] Recognizing that the country was "going through a period of democratization," members of the IEES commission in Ecuador argued that "the attitudes of today's youth will be decisive for the future of the country." By focusing on disciplines such as social and applied sciences, as well as education, officials planning the inaugural year of the Fulbright program in Ecuador asked for four U.S. lecturers in English, two in applied sciences and four in "unspecified" categories. They also proposed one grant for an Ecuadorian student in the social sciences, and eleven grants for students in the "unspecified" category, along with five grants for Ecuadorian teachers. All totaled,

[17] "Semi-Annual Progress Report for the period January 1-June 30, 1957."
[18] Ibid.
[19] "Annual Program Proposal: Commission for Educational Exchange Between the United States of America and Ecuador," 14 June 1957, Bureau of Public Affairs—International Educational Exchange Services—Joint Review Conference Files, 1955-57, Entry 3022, Box 2, RG 59, NACP.

the first year of the program in Ecuador included twelve U.S. grantees and seventeen grantees from Ecuador, at an estimated total cost of $94,227.[20]

The architects of the Fulbright Program addressed immediate problems in Ecuador in the hopes of generating future progress. At the request of Ecuadorian educators, the English program, for example, aimed to help local teachers develop "better ways and means" of teaching English at the university level in order to give Ecuadorian students a better chance of securing grants offered by U.S. universities.[21] This new program continued the tradition of emphasizing English language training, which was a hallmark of all of the exchange programs and American Schools that we have so far explored. In order for grantees to make the most of their time in the United States, ideally they could focus on subjects other than English. In keeping as well with the emphasis on promoting democracy, the authors of the plan suggested that students and lecturers in the social sciences should emphasize "the appreciation of democratic approaches and methods as applied to the solution of social problems." They singled out issues related to Ecuadorian juveniles as being some of the most important of these "social problems." According to the authors of the report, "too great a part of Ecuadoran youth is wasted, and does not make its contribution to national life." As a result, the Fulbright committee selected Dora Nelly Rodriguez o study social work at Shorter College in Georgia, which had already accepted her as a student.[22]

[20] "Annual Program Proposal: Commission for Educational Exchange Between the United States of America and Ecuador," 14 June 1957.
[21] Ibid.
[22] Ibid.

At the request of professors at Central University in Quito, officials identified engineering and food technology as two critical disciplines in the pure and applied sciences field. Galo Plaza had praised efforts to reorganize the university's school of engineering by arguing that this project was important because "if successful, it [could] serve as a pilot project which [would] be used as a model for similar projects in other regions of Latin America."[23] As the category with the largest number of grants, "unspecified" included grants for U.S. students and professors in fields such as economics, sociology, city and regional planning, urban and rural sociology, social work and welfare agencies, youth recreation and vocational guidance, education and medicine. The inherent flexibility in such a wide-ranging category was intentional. Policymakers believed that "every contact made by American professors and students with Ecuadoran educational circles [would] contribute toward full understanding of American institutions."[24] The goal was to reach as many critical fields as possible.

Ecuadorian university students had long been a primary focus of U.S. exchange programs, as well as a periodic concern for Ecuadorian leaders when the influential Federation of Ecuadorian Students challenged their administrations. Writing from the U.S. embassy in Quito, CAO Michael Karnis reported that he and the local Fulbright commission felt that "a change in the general orientation" of the student union was necessary in order to "create a climate of opinion favorable to the United States in

[23] "Annual Program Proposal: Commission for Educational Exchange Between the United States of America and Ecuador," 14 June 1957.
[24] Ibid.

university circles."[25] Suggesting that the union was "dominated by extreme leftist elements," Karnis hoped that giving students a chance to study in the United States might "have an impact on this situation favorable to us" that could continue well into the future as many of these students would likely become professors themselves. In short, Karnis argued, "the present situation cannot be changed overnight…it will require constant, determined and well-planned efforts. The gravity of the situation can hardly be stressed too much."[26]

In selecting Ecuadorian students for the Fulbright Program, Karnis and his staff focused on candidates who were "alert, intelligent and mature in their thinking," who would "serve the Program objectives upon their return to Ecuador."[27] Most of the students selected (nine out of ten) were Ecuadorian men between the ages of twenty-three and thirty-three who were studying a variety of subjects, including hydraulics, electrical engineering, food technology, veterinary medicine, political science, comparative law, highway construction, and adult education. The Fulbright Committee also selected two U.S. graduate students, plus one alternate, to participate in the inaugural Fulbright program in Ecuador.[28] Pursuing degrees in Social Sciences, Latin American and Spanish Literature, and Political Science, each of these students was given a copy of *Ecuador: A Country of Contrast* by Lilo Linke, who was herself a recipient of a Foreign Leader Grant in 1956.

[25] Karnis to Dulles, 12 December 1957, Central File 1955-59, Box 2109, RG 59, NACP.
[26] Karnis to Dulles, 11 February 1958, Central File 1955-59, Box 2110, RG 59, NACP.
[27] Ibid.
[28] Norrie to Dulles, 26 May 1958, Central File 1955-59, Box 2110, RG 59, NACP.

Upon their arrival in Quito, each grantee participated in an orientation program planned for them by Embassy and members of the local Fulbright Commission who were in charge of running the program.[29] Commission staff considered this orientation to the "national life and environment" of Ecuador to be an "essential part" of each grantees' Fulbright experience. As part of the program, each grantee met with the Ecuadorian Minister of Education, the rectors of Central University and Catholic University, as well as the President of the Casa de la Cultura in Quito. They also met with Ambassador Ravndal, PAO Norrie, and CAO Jerry James to discuss the overall objectives of the Fulbright Program in Ecuador.[30] Writing from Washington, Secretary of State Dulles applauded the orientation program outlined by James, but he suggested that Embassy staff should also include a discussion with the grantees about Ecuadorian customs and manners, particularly those customs which were most likely to be "unconsciously violated by foreigners."[31] In the effort to dampen anti-Americanism and promote U.S. hegemony, Dulles wanted to ensure that Fulbrighters would not offend their hosts.

Overall, the years 1958 to 1960 were a time of development of the Fulbright Program with Ecuador. In preparation for the 1961-1962 Fulbright competition, State Department officials noted with pleasure the increase in the number of grants under the Ecuadorian program.[32] They complemented the national commission responsible for running the program, and praised in particular the efforts to improve English education in

[29] James to Dulles, 12 August 1958, Central File 1955-59, Box 2110, RG 59, NACP.
[30] Ibid.
[31] Dulles to Ravndal, 9 September 1958, Central File 1955-59, Box 2110, RG 59, NACP.
[32] "Ecuador: Fifth Year Program," 8 February 1960, General Records of the United States Board of Foreign Scholarships, 1956-60. Lot File 60D653, Box 42, RG 59, NACP.

Ecuador through the introduction of a new grant for a teacher of English, and collaboration with five local normal schools.[33] Officials at IES commended this expansion into the normal schools since "the general experience" of Fulbright programs indicated that both the creation of teaching materials and the training of secondary school teachers were "vital elements in the development of a successful English teaching program."[34] While the number of grants for the teaching of English increased, however, the project in pure and applied sciences was canceled as officials tried instead to use that grant money to fund another lecturer in English, public administration, or chemical engineering.

Fulbright programs throughout Latin America targeted university populations. In his report to the Committee on International Exchange of Persons, Trusten Russell from the Conference Board of Associated Research Councils said that in each of the countries that he visited during the spring of 1958, including Argentina, Brazil, Chile, Colombia, Ecuador, Peru, and Puerto Rico, "the structural reform of the universities was a principal topic of discussion."[35] Throughout the region, university rectors were trying to modify traditional divisions of universities into autonomous faculties by introducing departments "more or less patterned on the example of North American universities." Because these rectors often faced resistance from older faculty members, they told Russell that the U.S. professors brought to their countries under the Fulbright program should be "of sufficient

[33] "Ecuador: Fourth Year Program," 16 May 1960, General Records of the United States Board of Foreign Scholarships, 1956-60. Lot File 60D653, Box 42, RG 59, NACP.
[34] "Ecuador: Fifth Year Program," 8 February 1960.
[35] "Report on Visits to Argentina, Brazil, Chile, Colombia, Ecuador, Peru, and Puerto Rico in April and May 1958," 3 November 1958, General Records of the United States Board of Foreign Scholarships, 1956-60, Lot File 63D270, Box 5, RG 59.

maturity, experience and judgment to represent adequately the most significant developments and trends in the United States," while also being young, creative and eager to teach. Russell also noted that university officials were re-arranging the physical spaces of many Latin American campuses in ways similar to U.S. universities. They now consolidated in suburban facilities faculties that were once "scattered" throughout downtown.[36] Influencing the physical layouts of universities, as well as their academic bureaucracies, became part of the broader aim of stemming anti-Americanism on Latin American campuses during this era by encouraging reform along a U.S. model.

Of course policymakers wanted people to interpret any influence by the United States as cooperative in order to contain Communism. Despite this, the Fulbright Program, as with its predecessor the Foreign Leader Program, was not immune to political manipulations. While Karnis and his staff in Ecuador had little difficulty securing the participation of Central University in the Fulbright Program, the situation in Guayaquil was different. Initially, the rector of the University of Guayaquil, Miguel Varas Samaniego, had offered his "enthusiastic collaboration" for the implementation of the program in his university.[37] Yet Varas's term had expired before officials could implement the program, and his successor, Antonio Parra Velasco, immediately expressed his "negative attitude toward the participation of the University of Guayaquil in any U.S. educational exchange program." The visit of Trusten Russell mentioned above had reportedly eased the situation a bit, and through several personal meetings with

[36] "Report on Visits to Argentina, Brazil, Chile, Colombia, Ecuador, Peru, and Puerto Rico in April and May 1958."
[37] Norrie to Dulles, 26 May 1958, Central File 1955-59, Box 2110, RG 59, NACP.

the rector, Russell had been able to win Parra Velasco's support.[38] The rector now expressed his "great interest" in having his son, Parra Gil, visit the United States.

Coincidentally, Norrie had already nominated Parra Gil for a Fulbright grant. Due perhaps to previous experiences with politically sensitive nominees, Norrie had purposefully neglected to mention that Parra Gil was Parra Velasco's son. When, however, the son's application was turned down by the BFS, who argued that the young Ecuadorian needed more "general background" studies before he could begin post-graduate work in the United States, Norrie wrote to Dulles asking for help.[39]

Norrie argued that the embassy, along with the local Fulbright Commission, felt that denying Parra Gil a grant would "jeopardize the whole Fulbright Program in Guayaquil…since it is more than probable that it will change the rector's attitude."[40] Norrie and his colleagues felt it was "essential" that if he could not be awarded a Fulbright grant, Parra Gil should at least receive a Specialist Grant so that he could visit medical centers in the United States. They emphasized that after Parra Velasco's term as rector was over, he would likely be re-elected in 1961 for a second term. This, combined with the fact that he had reportedly gained favor with the students in Guayaquil by securing a "bigger allocation" for the university from the National Congress, only heightened the importance of maintaining his friendship by awarding his son a grant. Having won over Para Velasco, the last thing that Norrie and others at the embassy

[38] Norrie to Dulles, 26 May 1958.
[39] Norrie to Dulles, 28 April 1958, Central File 1955-59, Box 2110, RG 59, NACP.
[40] Norrie to Dulles, 26 May 1958.

wanted was to have the rector turn against the United States because policymakers denied his son a grant.

In another case of political meddling involving the Foreign Leader Program, in October 1958, Ambassador Ravndal wrote to Roy Rubottom from the Bureau of Inter-American Affairs at the Department of State, asking if officials could secure a teaching grant for Velasco Ibarra.[41] As had happened twelve months earlier, rivals of the former president once again considered him to be a political threat. This time, they argued that Velasco Ibarra was a "heavy favorite" to win the 1960 election—an election that he did in fact win. The last time this idea was proposed, officials at the State Department discounted the possibility largely due to Velasco Ibarra's limited abilities in English. A year later, his language skills were now no longer an issue. Reporting that Velasco Ibarra had never been to the United States, and that he was said to be "generally against what he does know of us at second-hand," Ravndal felt that students in New Mexico, Florida, or at the International House at Columbia would have little difficulty following Velasco Ibarra's lectures in Spanish.[42] The ambassador thus "strongly recommend[ed] that the Department assist, in a quiet way, in arranging a teaching or other grant for this very important Ecuadorean."

Back in Washington, Rubottom met with officials from IES and secured "informal approval of the idea."[43] Rubottom asked Ravndal to create a formal proposal, and he told him that, because Velasco Ibarra was already a presidential candidate for

[41] Ravndal to Rubottom, 31 October 1958, Central File 1955059, Box 2110, RG 59, NACP.
[42] Ibid.
[43] Rubottom to Ravndal, 17 November 1958, Central File 1955-59, Box 2110, RG 59, NACP.

1960, the grant should appear to come from a private institution. If State Department officials secured such an invitation, then they would offer Velasco Ibarra a leader grant to help remove him from Ecuador during the election cycle. By 1959, preparations to have Velasco Ibarra lecture at Yale were "well advanced" when Rubottom informed Ravndal that the plans had to be suspended for now. President Ponce felt that, were the project to go forward, it would "be locally interpreted as unfriendly to his Government."[44] Once again policymakers halted efforts to remove Velasco Ibarra from the political scene for fear of potentially negative repercussions during this era of heightened anti-Americanism.

As suggested by the Velasco Ibarra case examined above, and despite the fact that we have focused primarily on the Fulbright Program in this chapter, other exchange programs that we examined in previous chapters were of course still in operation during this period. In fact, in response to the anti-Americanism in the region, officials running the Foreign Leader Program began to focus more on the field of law. For 1959, for example, Karnis requested permission to use Specialist funds for a travel project for twenty-two Ecuadorian law students from Central University, who, he argued, were "among the most important target group in Ecuador as far as our country program is concerned."[45] According to Karnis, Ecuadorians treated law school as a "prelude to politics," with the current dean of the school serving as the Secretary of the National Socialist Party, while the former President of Ecuador, Andres Cordova, was the counselor for the sixth-year students. Cordova, a "loyal friend of the United States," had

[44] Rubottom to Ravndal, 2 February 1959, Central File 1955-59, Box 2110, RG 59, NACP.
[45] Karnis to Dulles, 30 January 1958, Central File 1955-59, Box 2110, RG 59, NACP.

proposed the trip. He had already secured agreements and financial support from the British, French and German embassies to send half of the students to Western Europe. He hoped to send the remaining students to the United States where they would spend three weeks visiting various university campuses.

Karnis explained that these sixth-year students could have a long-term affect on their fellow classmates and the student federations as they would be able to vote in student elections for up to two years after their graduation. This focus on the law extended beyond law students. That same year, Karnis submitted the application of Luis Monsalve Pozo, a law professor and Vice-Rector of the University of Cuenca, for a foreign leader grant.[46] In addition to his influence at the university, Monsalve was also the President of the Section of Juridical and Social Sciences at the Casa de la Cultura in Cuenca. Although Monsalve had in the past "openly and with great vigor" criticized the United States in the socioeconomic field, he now reportedly "evidenced a sincere desire" to understand the United States better.

In addition to Monsalve embassy staff also nominated, Dr. Juan Isaac Lovato Vargas, the Dean of the Faculty of Law at Central University. As the Secretary General of the Ecuadorian Socialist Party, Lovato had reportedly only recently been "won over after diligent and careful contacts" made by the U.S. Embassy.[47] Perhaps if given the chance to study in the United States, these law students and professors could challenge the leftist tendencies of their peers in Ecuador identified by some in Quito. Perhaps

[46] Karnis to Dulles, 27 February 1958, Central File 1955-59, Box 2110, RG 59, NACP.
[47] Norrie to Dulles, 13 May 1958, Central File 1955-59, Box 2110, RG 59, NACP.

unsurprising given the battles over territorial waters, the sub-field of international law was especially important to the officials running the Foreign Leader Program with Ecuador. In this connection, officials nominated Julio Cesar Prado Vallejo, Director of the Political and Diplomatic Department of the Foreign Ministry, for a 1959 Leader grant.[48] In addition to his work for the government, Prado was also a professor of International Law at Central University, and as such he was interested in studying how law schools in the United States were organized. Because of his interests, acting PAO Jerry James felt that "positive benefits" would result for Ecuador if the U.S. awarded Prado a grant. Together then, the Fulbright Program and the Foreign Leader Program worked to combat anti-Americanism in the hemisphere through their emphasis on universities and university students from a variety of academic disciplines that were considered strategically important in the maintenance of U.S. hegemony.

By 1961, more than twenty years had passed since the U.S. government first became involved in funding, developing and promoting educational exchanges with the nations of Latin America. Since then, approximately 33,000 Latin Americans had visited the United States for the purposes of education and training.[49] In 1960 alone, 4,400 Latin Americans and 1,500 U.S. citizens participated in educational and cultural programs, which policymakers funded with a budget of $35 million. Beginning in 1955 there was a steady rise in dollar funds for these programs, from $1,469,000 for that year, to

[48] James to Dulles, 9 January 1959, Central File 1955-59, Box 2110, RG 59, NACP.
[49] "Principal U.S. Government Educational and Cultural Programs in Latin America," January 1961, Bureau of Cultural Affairs—Country Files of the Planning and Development Staff, 1955-64, Lot File 66D499, Box 205, RG 59, NACP.

$3,952,000 for 1959, to $4,732,000 for 1960, and an estimated $6,500,000 for 1961 with the remainder of the funding coming from foreign currencies used under P.L. 480.[50]

The Alliance for Progress was in many ways a continuation of U.S-Latin American policies developed during the final years of the Eisenhower Administration. This held true too for the educational exchange programs. Soon after Kennedy's announcement of his administration's Latin America policy, his staff brought all of the exchange programs with the nations of Latin America under the Alliance policy umbrella. The Foreign Leader Program, for example, became "an effective instrument in helping the Embassy to confront some of the various political, economic, social civic and educational problems existing in most of the American Republics."[51] Of course these were always targets of the program as broadly defined, and the rhetoric of the Alliance, including the insistence on self-help and modernization, did little to alter the actual functioning of the program. Staff at the Governmental Affairs Institute, for example, continued their efforts to make their segment of the program a "dynamic and integral part of an affirmative U.S. policy of free world leadership."[52]

The exchange programs with Ecuador under the Alliance for Progress were part of a much broader effort to use education to promote U.S. influence in the Third World. By 1962, officials working for the Committee on International Exchange of Persons Conference Board of Associated Research Councils had nominated U.S. professors for federal awards allowing them to lecture and conduct research in sixty-four different

[50] "Principal U.S. Government Educational and Cultural Programs in Latin America."
[51] "Educational and Cultural Exchange: Foreign Leader Program," 11 April 1961, Records Relating to Leaders and Specialist Programs, 1950-65, Lot File 65D372, Box 106, RG 59.
[52] "Principal U.S. Government Educational and Cultural Programs in Latin America," January 1961.

countries.[53] Officials used bilateral Fulbright agreements to conduct exchanges with forty-three of those countries, including Ecuador. They provided Grants to the remaining twenty-one countries using dollar funds from the Smith-Mundt program.

Policymakers designed the programs under the Alliance for Progress to address the concept of self help. In Ecuador, this translated into the establishment, among other things, of a two-year vocational education program designed to "help alleviate the critical shortage of skilled workers in Ecuador."[54] Once trained, these workers would then carry out the development programs envisioned by policymakers in Washington, and pro-U.S. elites in Latin America. In addition to this training program, officials also established two labor centers in Quito, and one in Guayaquil, as part of their efforts to encourage the development of labor unions and practices modeled after unions in the United States. A new training center established by the Institutes of Administrative Studies at Central University was also in the works as part of a broader effort to address "the joint problems of deficient public and private administrative performance and inadequate identification and use of human resources."[55]

The education of students and technicians was also a crucial component of the Alliance. Commenting on the "abysmally low" level of technical knowledge in Latin America, Arthur Schlesinger, Jr. suggested that "obviously modernization requires a

[53] "Semi-Annual Progress Report to The Board of Foreign Scholarships for the Period January 1-June 30, 1962," General Records of the United States Board of Foreign Scholarships, 1956-60, Lot File 66D404, Box 172, RG 59, NACP.
[54] "Principal United States Programs in Latin America in the Fields of Education, Science, and Culture," February 1962, Bureau of Cultural Affairs—Country Files of the Planning and Development Staff, 1955-64, Lot File 66D499, Box 205, RG 59, NACP.
[55] "Principal United States Programs in Latin America in the Fields of Education, Science, and Culture," February 1962.

massive redevelopment with US and OAS help of the Latin American educational system."[56] Schlesinger and the other architects of the Alliance saw modernization as fitting naturally with the U.S. mission to promote international peace and development through the spreading of liberal capitalism and democracy.[57] Thus while the rhetoric of modernization was somewhat new, the Fulbright Program and other educational exchange programs under the Alliance for Progress continued the process of expanding consent to U.S. hegemony through government-funded programs that we have been examining.

On 3 July 1961, policymakers revealed the connection between this mission and educational exchange in the latest guideline paper on U.S. policy toward Latin America. Report authors suggested expanding the use of "technical assistance" and student exchange programs in order to "provide strong informational support for the Alliance for Progress, with emphasis on the principle of self-help."[58] Previous efforts to address the issue of technical assistance in Latin America, such as the Point Four program, focused on the export of technical knowledge to the region by using U.S. experts sent to Latin America. The Alliance rhetoric of self-help, however, suggested a more cooperative effort. Policymakers used this cooperative approach to stem the tide of anti-Americanism in Latin America by portraying the United States as not simply an expert, but rather as a nation ready to work with its neighbors to achieve common goals.

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[56] Schlesinger to Kennedy, 10 March 1961, *FRUS: American Republics*, 1961-1963, 10-19.
[57] Michael E. Latham. *Modernization as Ideology: American Social Science and "Nation Building" in the Kennedy Era*, (Chapel Hill: University of North Carolina Press, 2000), 80.
[58] Summary Guidelines Paper, United States Policy Toward Latin America, 3 July 1961, *FRUS: American Republics*, 1961-1963, 33-37.

As part of this effort, the Kennedy Administration and Congress strengthened the Fulbright program in 1961 with the passage of the Fulbright-Hays Act. Under the Act, foreign currencies funding Fulbright grants could now be set aside in advance for future fiscal years. Officials now used U.S. dollars to fund the awards for the first time. Both of these changes, along with the loosening of restrictions on grantees, helped the Fulbright program to grow, and to become a more permanent feature of the broader U.S. educational exchange infrastructure.[59]

One month after Kennedy announced the Alliance for Progress, a team of consultants—including Robert Avery, Professor of Political Science at the University of Tennessee, George Erickson, the Chief of the U.S. Geological Party in Chile, Elmer Holmgren, the former Director of the Food and Agricultural Division of the International Cooperation Administration, Wilson Schmidt, Professor of Economics at George Washington University, Frank Tiller, Dean of the School of Engineering at the University of Houston, and Charles R. Norbert, Counselor at law in Washington, D.C.—arrived in Ecuador to assess the country's needs. Divided into twelve chapters dealing with subjects ranging from the economy to civil aviation, their three hundred-page report was the type of long-range planning that Kennedy wanted. In general, the consultants expressed their sincere hopes that the Velasco Ibarra Administration would fulfill its promises under the Alliance. They also pointed out the many areas where U.S. training was already successfully taking place. In his discussion of administrative reform, for example, Robert Avery pointed out that the United States Operations Mission (USOM), a division of the

[59] Johnson and Colligan, 305-306.

Agency for International Development (AID), had initiated a program of technical assistance in public administration in 1958.[60] A Fulbright professor from the United States amplified this effort, Avery continued, by teaching classes in public administration at Central University, which offered a variety of courses for both students and public employees. In keeping with the cooperative nature of the Alliance, Avery commented that the USOM public administration staff had responded to the requests for assistance from "an impressive number of agencies of the Ecuadorian government."[61] Again, policymakers hoped that Latin Americans would see Washington as cooperating with their governments instead of simply directing them.

In the report chapter on education in Ecuador, author Frank Tiller revealed many of the shortcomings of previous exchange programs, as well as a number of challenges for future programs to address. Agreeing with many of the other officials we have studied in this chapter, Tiller felt that Latin American universities should be the number one priority of the Alliance for Progress in general, and the Fulbright Program specifically. Arguing that "the present moment offere[d] a singular opportunity for perhaps the most important investment that the U.S. c[ould] make—an investment in the brains of Latin American intellectuals," Tiller pointed out that the government of Ecuador had recently ratified an agreement with Czechoslovakia for the exchange of cacao for pedagogic equipment.[62] Because he saw university students as "the future leaders of their country" in whose hands relationships between their government and the rest of the world would

[60] *Ecuador's Participation in the Alliance for Progress*, (Washington D.C.: International Cooperation Administration, 1961), 52.
[61] Ibid., 55.
[62] Ibid., 173.

develop, Tiller urged officials in Washington to expand the Fulbright Program in Ecuador.[63] Given that the Ecuadorian government had already worked out deals with Czechoslovakia, Tiller predicted that the Soviet Union could easily be next.

The report findings on Ecuador fit within a broader dialog among U.S. elites concerning education in Latin America. While government-funded educational exchange programs between the United States and the nations of Latin America had become increasingly more sophisticated since their beginnings in the 1930s, within the halls of Washington it seemed that few policymakers knew much about the nature of education generally, and universities specifically, in Latin America. In their report, "The Spanish American University and the University Students," Carl Fiskow and Taylor Peck from USIA attempted to address this deficiency.

Reflecting the faith in modernization of the times, Fiskow and Peck argued that if given "sufficient resources," universities in Latin America could collectively become "a more powerful force for freedom, a source of democratic government, a stabilizing social element, a vital factor in economic development, and a genuine cultural institution."[64] As occurred in the United States and Western Europe, university student populations across Latin America had exploded since 1940, rising by approximately 400 percent in twenty years. Yet the physical infrastructure of Latin American universities had not kept up. Administrators added frustrated incoming students to an already tense situation in which

[63] *Ecuador's Participation in the Alliance for Progress*, 178.
[64] "The Spanish American University and the University Student," 1962 Bureau of Cultural Affairs, Country Files of the Planning and Development Staff, 1955-64, Box 205, RG 59.

university faculties and national governments tended to compete for the right to be the voice of the nation.

As Fiskow and Peck explained it, being a university student in Latin America meant something special, "it mean[t] belonging to a powerful, educated pressure group in countries where often the majority of the people cannot even read or write, where often even the secondary school graduate, 'bachiller' is to be looked up to."[65] Many of these students felt a responsibility to address the inequalities they saw in their home countries. According to Fiskow and Peck, Latin American students carried within them a cynicism that caused them to mistrust their local elites as well as foreign investors in their country. Just in case officials in Washington were still unclear as to the potential threat to U.S. hegemony posed by the students, the authors elaborated, "if the political student has little faith in the leaders of his country's government, he will believe them quite capable of being 'bought out' by foreign governments and foreign private enterprises with interests in his country." Following Nixon's 1958 trip, this analysis had a receptive audience in Washington.

In terms of U.S. foreign policy, Fiskow and Peck were particularly concerned with university students who felt uninspired by the United States "usually because, contradictorily, they consider that on the one hand it is no longer young, adventuresome, experimental, and daring, all of which appeal to youth, while on the other they smugly regard it as immature." In short, these students seemed to feel that the United States had "forgotten its own birth pains and early struggles and no longer identifie[d] itself or

[65] "The Spanish American University and the University Student," 1962.

sympathize[d] with movements for liberty in other lands, but even attempt[ed] to suppress it due to its own investments abroad."[66] As State Department officials maneuvered to exclude Cuba from the OAS, rehabilitating the U.S. image on Latin American campuses became a central mission.

To address this situation, in January 1961, the Executive Secretaries of the Fulbright commissions throughout Latin America gathered to discuss the current state of the program.[67] Through detailed examinations of each group of grantees—lecturers and researchers, students and teachers—all those who were present developed a fuller sense of the strengths and weaknesses of the program as it operated in Latin America. In differentiating between the Fulbright Program in Latin America, and its earlier European incarnation, presenters told attendees that the program in Europe was designed to give scholars and professors "an opportunity to expose themselves to the traditional universities of Europe, whereas in Latin America the grantee was regarded as a 'working' grantee expected to 'contribute' rather than learn himself." This distinction between absorbing the cultural traditions in Europe and working in Latin America rested in part at least on the perceived need for greater change in Latin America than in Europe, and on the more immediate perceived threat of Castroism in the hemisphere.

The first Fulbrighter came to Ecuador in 1958. Through the early years of the Alliance this number increased, with 38 U.S. scholars and teachers going to Ecuador and

[66] "The Spanish American University and the University Student," 1962.
[67] "Summary Report: Conference of Fulbright Executive Secretaries in the Other American Republics, January 5-9 1961," General Records of the United States Board of Foreign Scholarships, 1956-60, Lot File 66D190, Box 125, RG 59, NACP.

120 Ecuadorians coming to the United States.[68] In a survey of U.S. Fulbright grantees during the Alliance era, editor Edward T. Purcell gauged the effectiveness of the program.[69] As Purcell pointed out, the program in Latin America at that time was unique in that students gathered in Washington to receive specific training before their departure. Through a variety of presentations by government officials and scholars, grantees learned about U.S. foreign policy, the Alliance for Progress, the role of capitalism in developing countries, and the dynamics of social change and political development in Latin America. Also on the program were specific issues of concern that we have already mentioned here, such as civil rights in the United States, and "newer" topics such as the "Latin American mind and character."[70] Grantees received, in short, lessons designed to make them more effective carriers of U.S. knowledge in this effort to maintain U.S. hegemony.

Purcell's survey posed a series of questions, the most important for our concerns here being whether the United States benefited from the exchange. In general, all of the respondents who had traveled to Ecuador under the Fulbright Program agreed that the Alliance had improved cultural understandings between themselves and the Ecuadorians whom they had met. One of the most insightful responses came from Gene E. Bigler II who, at the time of publication, was serving as a U.S. Information Agency Officer in Lima, Peru. Bigler had a remarkable amount of contact with Ecuadorian officials, including Velasco Ibarra, both Carlos Julio Arosemena and his cousin Otto Arosemena

[68] Johnson and Colligan, 343.
[69] Edward T. Purcell. *Report on a Survey of U.S. Student Fulbright Grantees to Latin America, 1964-68,* (S.I., s.n., 1990).
[70] Purcell, 195-205.

(who became president of Ecuador in 1966), and Galo Plaza. According to Bigler, the Fulbright Program was succeeding in its efforts to develop cross-cultural understandings.

Despite the enthusiasm of many of the individuals responsible for the development and execution of the Fulbright Program, however, by 1962 applications for lectureships and research grants were down. For the 1962-1963 program year, for example, five lecturing awards were available for scholars wishing to lecture in Ecuador. Yet the Fulbright Committee received only three applications, compared with ten from the year before.[71] One possible reason for the decline, according to members of the Conference Board of Associated Research Councils, was the continued difficulty in locating acceptable candidates who could lecture in Spanish in the natural sciences, especially when there were plenty of Latin American experts in these fields who faced no challenges with the language.[72]

By 1963, however, this decline in applications appeared to have been temporary, as efforts to recruit Spanish-speaking professors in the applied sciences began to pay off. Throughout the region, 2,002 applications were submitted for the 1963-64 program. In Ecuador, where officials announced four awards, nine applications were submitted which showed a marked increase from the five to three ratio of the previous year.[73] Thus in

[71] "Semi-Annual Progress Report to the Board of Foreign Scholarships for the Period January 1-June 30, 1962," General Records of the United States Board of Foreign Scholarships, 1956-60, Lot File 66D404, Box 172, RG 59, NACP.
[72] Ibid.
[73] "Semi-Annual Progress Report to the Board of Foreign Scholarships for the Period January 1-June 30, 1963," General Records of the United States Board of Foreign Scholarships, 1956-60, Lot File 66D404, Box 172, RG 59, NACP.

Ecuador at least, the Fulbright Program seemed to be developing nicely during the Alliance years.

From 1958 to 1963, the Fulbright Program, along with the Foreign Leader Program and the American schools of Guayaquil and Quito, continued to provide the intellectual support for the maintenance of U.S. hegemony in Ecuador and the Third World. While Richard Nixon received a warm welcome when he visited Ecuador in 1958, this contrasted sharply with his experiences in other parts of the region. Yet when it came to policy making in Washington, officials drew little distinction between these experiences. Policymakers treated student unrest in Ecuador much as they did throughout Latin America. By increasing the number of personal contacts between U.S. and Ecuadorian experts and students, officials running the Fulbright Program hoped to generate further consent to U.S. policies in the Third World from the current and future leaders of Ecuador.

Conclusion

From 1933 to 1963, policymakers from the United States and Ecuador worked to maintain the U.S. Empire in the Third World. This process began with the Roosevelt Administration's push for hemispheric solidarity during World War Two. By eschewing established policies of U.S. intervention in the internal affairs of Latin American nations, policymakers hoped to convince their Latin American counterparts that Washington was committed to a new era of cooperation. The Japanese attack on Pearl Harbor intensified this effort to secure hemispheric solidarity. Soon after the attack, officials from Ecuador and other nations in Latin America offered the use of their territories for the establishment of U.S. military bases. These leaders also agreed to supply the primary resources found within their territories for the Allied war effort. As the United States joined the Allied cause, policymakers had secured the support of Latin American governments.

As the war began to wind down, officials in the United States and Latin America worked to shape the postwar world. With the Truman Doctrine, U.S. policymakers shifted their focus from ensuring hemispheric security, to rebuilding Europe as a bulwark against the spread of Communism. Negotiations over the return of the Galápagos base reveal this shift in focus. Ecuadorian military and political elites were unable to secure for Ecuador all of the support—in terms of loans and matériel—that they felt that their wartime contributions to hemispheric security deserved.

In addition to issues of geo-strategy and economics, the wartime hemispheric solidarity also included a concerted effort by policymakers to combat fascist ideologies.

Through the funding of American Schools in Latin America, and the educational exchange programs begun under the Buenos Aires Convention of 1936, policymakers worked to generate consent among Latin Americans to U.S. policies in order to offset fascist penetration in the hemisphere. From the beginning, as we saw in the case of the American School of Quito, Ecuadorians were active in securing these educational opportunities for their children. These were not, in other words, programs forced on Ecuador by the United States. By educating Ecuadorian students in classes taught in English by teachers using teaching methods developed in the United States, policymakers in Washington, and their pro-U.S. allies in Ecuador, hoped to enable these students to continue their education in the United States. Through this education, these students would hopefully come to view the U.S. system as superior to the competition—a message that they would then share with their fellow citizens.

As the Cold War progressed, Ecuador entered a period of presidential stability that was nearly unprecedented in its history. During the Galo Plaza years, this stability was marked as well by economic development as the Ecuadorian banana industry flourished. Eager to continue this success by developing the nascent domestic fishing industry, Galo Plaza passed a series of Presidential Decrees that altered government policy concerning the limits of territorial waters, and the protection of natural resources found in these waters. Thus began decades of wrangling with U.S. policymakers who consistently refused to abandon the three-mile limit. This was a period of tension in U.S.-Ecuadorian relations, when policymakers from both countries failed to fully defend their

position regarding territorial waters. These tensions, however, never brought a full rupture of U.S.-Ecuadorian relations, or of U.S. hegemony in Latin America.

While policymakers from Ecuador, the United States, and other coastal nations negotiated over the territorial waters issue, officials running the Foreign Leader Program worked to ensure the continuation of U.S. hegemony in the future. Building on their experiences running earlier exchange programs, policymakers now targeted leaders from specific, influential segments of Latin American societies. While the enemy had changed from fascists to communists, the overall goal of the Foreign Leader Program was the same as the wartime exchange programs—to convince peoples living outside of the United States that the capitalist system promoted by Washington was superior to the competition. By funding the exchange experiences of leaders from the most influential segments of society, policymakers hoped to generate broad consent to U.S. policies.

The discontent evident in the territorial waters chapter came to a head during Vice President Richard Nixon's tour of South America in 1958. Ecuadorians greeted Nixon warmly, but elsewhere in the region the reception turned violent. When President Kennedy later tried to secure support from OAS member states to expel Cuba from the organization, he discovered that six nations, including Ecuador, would not comply. Through repeated negotiations, policymakers in the United States eventually managed to secure the support they desired, and Castro's Cuba was expelled from the OAS. But the Punta del Este episode revealed something that had been developing ever since the end of the Second World War—no longer could Washington assume that the nations of Latin

America would support U.S. policy. Generating greater consent during the 1960s fell to the educational exchange programs, in particular the Fulbright Program.

The increased attention to university students and faculties under the Fulbright Program was a direct response to the discontent witnessed by Nixon on his tour. Student protests in several of the nations visited by Nixon prompted the Eisenhower Administration to adjust their Latin American policies, and exchange programs were part of this readjustment. Policymakers considered university students to be as particularly useful in the efforts to maintain U.S. hegemony because they would presumably exert their influence for decades to come. Convincing Latin American students that the United States was not the "Colossus of the North" became a central focus of the Fulbright Program. By targeting specific faculties and student organizations, policymakers hoped to challenge the leftist tendencies that they identified with these groups. The discord witnessed by Nixon and representatives at the Punta del Este Conference convinced policymakers that they needed to shore up U.S. hegemony in Latin America if they hoped to contain Communism.

The maintenance of the U.S. Empire in the Third World was hegemonic. In the case of Ecuador, policymakers never resorted to the interventions or shows of force that fill the existing historiography on U.S.-Latin American relations. Instead, officials from Ecuador and the United States worked together to support the U.S. Empire. The chapters on diplomacy detail the negotiations among policymakers involved in maintaining U.S. hegemony in the face of immediate, and at times short-term, challenges. These challenges prompted officials to establish educational exchange programs designed to generate long-

term consent to U.S. hegemony. In other words, the chapters on diplomacy and education work together, and neither can be fully understood without reference to the other.

Though consent played a significant role in maintaining U.S. hegemony in Ecuador, this does not mean that policymakers from the United States and Ecuador always agreed with each other, or that they always secured maximum benefits for their country. In the diplomatic cases that we have explored—including the actions of the Ecuadorian government regarding the South American Development Company and All American Cables, the Galápagos base, the dispute over the legal limits of territorial waters, and the exclusion of Cuba from the OAS—neither U.S. policymakers, nor their Ecuadorian counterparts were able to force the other to accept their government's demands. The conclusion of each diplomatic episode explored here involved instead a series of compromises.

While the government of Ecuador, for example, was unable to extract as much from U.S. companies operating within their territory during the 1930s, neither were U.S. policymakers able to prevent the altering of the South American Development Company's contract by the Ecuadorian government. Negotiations over the return of the Galápagos base resulted in a similar compromise—the United States lost the right to occupy the base, while the Ecuadorian government only received discounted matériel instead of the desired $20 million loan. Compromises also ended the territorial waters dispute and the battle over Cuba's exclusion from the OAS—although in the territorial waters case, the solution was only temporary. Through bilateral and multilateral negotiations, policymakers in Ecuador and the United States always managed to generate

consensus concerning the continuation of U.S. hegemony in the Third World, albeit on modified terms.

Relations between the United States and Ecuador from 1933 to 1963 thus represent a case of routine relations. Too often historians have focused their attention on exceptional cases when analyzing the U.S. Empire in the Third World. This tendency has obscured our understanding of the consensual hegemony that has supported this empire. Ultimately, U.S.-Ecuadorian relations have been successful, if we measure that success by the absence of exceptional interventions into the affairs of Ecuador. Only by exploring cases such as the one covered in these pages can we fully understand the nature of the U.S. Empire.

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